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IRA puts a bomb under peace talks

David McKittrick
Ireland Correspondent

The Irish peace process received a sharp blow and a significant boost in quick succession yesterday, when an ominous IRA statement was followed by a sign of overwhelming Protestant approval for talks with Sinn Féin.

Most worryingly for the British and Irish governments, the IRA calmly announced that it "would have problems with" the Mitchell principles of commitment to non-violence and democracy, which Sinn Féin formally accepted on Tuesday.

The six principles pledge a commitment to the total disarmament of all paramilitary organisations, a renunciation of the use of force and agreement to abide by the terms of any new agreement reached in the negotiations.

The IRA statement, made in an interview in the publication *Republican News*, appeared to provide strong evidence to back up Unionist complaints that Sinn Féin's pledge was no more than an empty formula. Sinn Féin quickly declared that the party was "committed to totally democratic and peaceful means in the search for peace" and that "Sinn Féin is not the IRA and speaks for itself."

But few across the political spectrum were prepared to accept the proposition that Sinn Féin and the IRA were completely separate entities, and that one section of the republican movement could proclaim its pacifism while the other specifically reserved the right to return to violence.

The almost universal view in political and security circles is

that Sinn Féin and the IRA are inextricably linked, with a common political direction and significant dual membership. The statement may have been designed to reassure IRA hardliners that Sinn Féin's endorsement of the Mitchell principles did not mean the terrorist organisation had formally renounced violence forever.

On one reading it was little more than a statement of the obvious, given that the organisation has made clear that its ceasefire, declared in mid-July, is complete but not permanent. But it can be taken as indicating a cavalier attitude to formal pledges.

Its timing was seen as particularly unhelpful to those within David Trimble's Ulster Unionists who are arguing that the party should go into the multi-party talks when they recognise in Belfast on Monday.

A key meeting of the party executive is to be held in Belfast tomorrow. Although it will not have decision-making powers on the issue, it will have a significant influence on the party leadership's decision. The IRA comment is thus seen as either deliberately provocative or, at best, indifferent to the concerns of Unionists at a sensitive time.

But the party decision is also likely to be influenced by the near-sensational findings of a new opinion poll, which appears to show that an overwhelming majority of Unionists favour entry into talks.

The poll, carried out by the *Belfast Telegraph*, in association with the Rowntree Trust and others, found that no fewer than 93 per cent of Ulster Unionist Party supporters

favoured staying in the talks. The surprise at the strength of feeling uncovered by the poll was compounded by the fact that three-quarters of supporters of Reverend Ian Paisley felt that he too should stay in the talks.

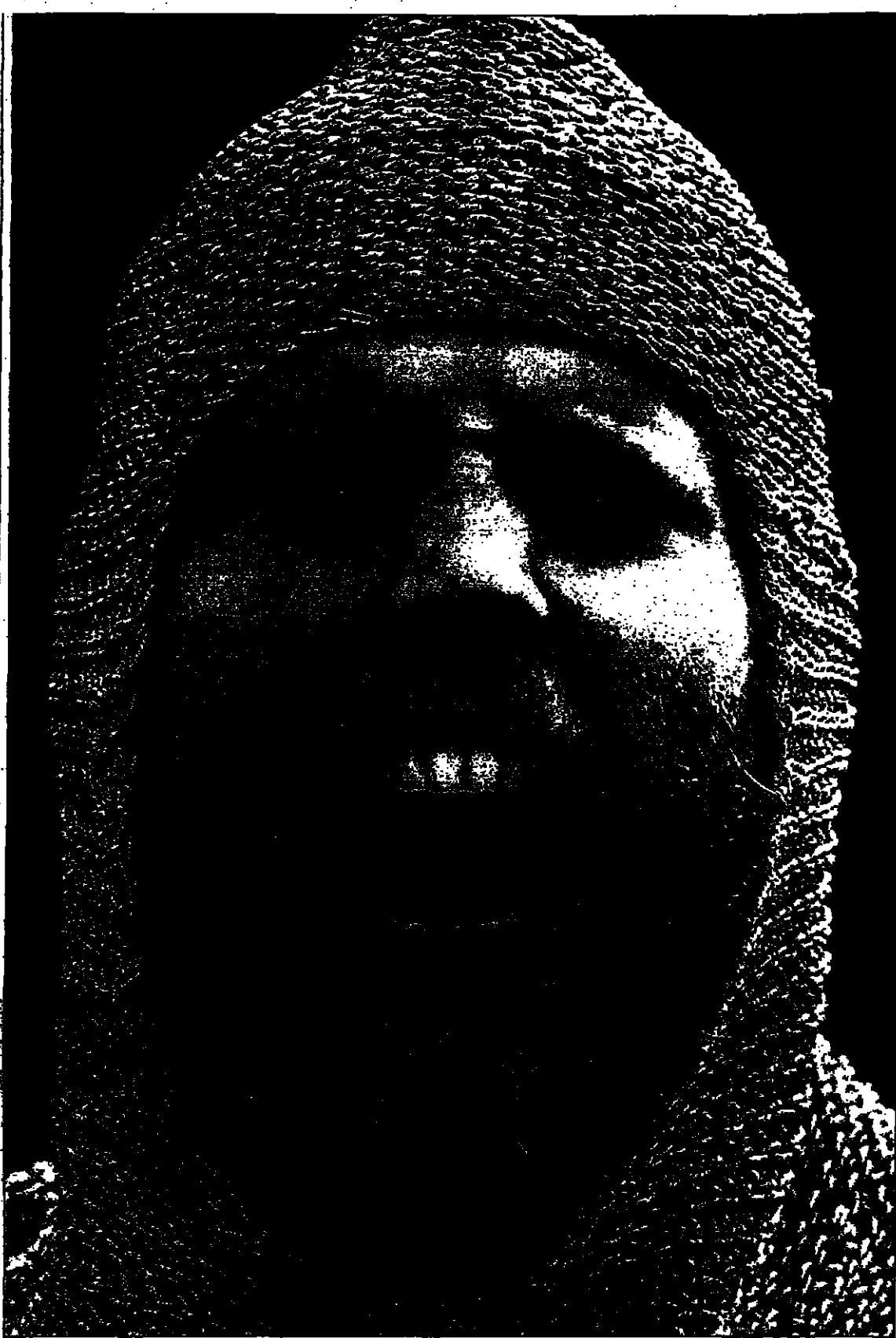
He has already walked out of the proceedings, denouncing them as a dangerous sham. It is not clear whether the fact that 86 per cent of all Protestants want their representatives to be there will bring about a change of mind on Dr Paisley's part, but the figures will certainly make it very difficult for Mr Trimble to turn his back on the negotiations.

In the meantime, however, a shower of condemnation descended on the republican movement in the light of the comments of the IRA spokesman, who said: "What they [Sinn Féin] do is a matter for them. Their affirmation of these principles is quite compatible with their position."

As to the IRA's attitude to the Mitchell principles, he said, "well, the IRA would have problems with sections of the Mitchell principles. But the IRA is not a participant in these talks." He went on to reiterate the familiar position that decommissioning of IRA weapons is not to be expected this side of a political settlement.

A spokesman for the Northern Ireland Office said the comments were worrying, adding that if republicans dishonoured the Mitchell principles "they will be out of the negotiations." In Dublin, the Taoiseach, Bertie Ahern, said the comments were a matter of major concern.

Can the puzzle be solved?
Essay, page 16



Braveheart: William Wallace (played by Allen Goldie) responding to Edward I, after the English king says 'I have done away with an outlaw', in a 700th anniversary re-creation of the Battle of Stirling Bridge on the day Scotland voted on Home Rule. 'You have not,' says Wallace, 'you have made a nation' Photograph: Brian Harris

Scotland roars... rather quietly

Stephen Goodwin

Scotland went to the polls yesterday not so much with a roar more a polite whimper. As preparations began for a re-enactment of the battle of Stirling Bridge, 700 years ago, when William Wallace saw off the English, voting in the historic home rule referendum was, in parts, distinctly slow.

The early turnout was reported to be "noticeably down" on what is usual for a general election (71 per cent last May). Later, heavy rain fell across the central belt, much to satisfaction of "No" campaigners. A turnout much below the 63 per cent figure achieved in the abortive 1979 referendum would be regarded as a poor endorsement for Home Rule.

A parliament for Scotland will have repercussions for Westminster, and its confrontational style of politics, way beyond anything most MPs have yet contemplated, according to leaders of the coalition that has worked effectively for Home Rule.

As voters went to the polls, the political parties were already looking ahead to the composition and character of the new assembly.

Donald Dewar, the Secretary of State for Scotland, is being tipped as Scotland's "prime minister" - the officially titled First Minister who will head the devolved administration.

Mr Dewar, 60, was typically reticent when asked yesterday whether he wanted the job, but close colleagues believe he would be an "excellent" choice.

The repercussions of setting up a parliament in Edinburgh will be considerable. At least a dozen Labour MPs with seats in Scotland are believed to want to stand for the new body. Mr Dewar and Henry McLeish, the devolution minister, have both voiced an interest.

Competition to get on Labour's panel is expected to be fierce. It is likely to be restricted to about 200 names and will be vetted by the party leadership in London to keep out the municipal time-servers of the central belt who have severely tarnished Labour's image in recent months.

Several Liberal Democrat MPs are considering a transfer, and all six Scottish Nationalist MPs are certain to stand.

Letters, page 15
Andrew Marr, page 17

Whitehall's 'Ministry of Truth' to rival Millbank machine

Kim Sangha

If imitation is the sincerest form of flattery, then this is another famous victory for Labour's spin doctors. After repeated complaints about the Government Information Service from Tony Blair's ministers, Whitehall is to set up a media monitoring unit modelled on the party's slick PR operation.

In a ground-breaking initiative, press officers seconded from each Government department will work in a team to record, analyse, and, if necessary, rebut almost every item of news about Government policy in the media. *The Independent* can reveal.

The unit, already being called the "Ministry of Truth" by some sceptical civil servants, will be operational within a month. Mike Granatt, the head of the GJS, is

officially in charge, but Alastair Campbell, the Prime Minister's press secretary, is taking a keen interest.

Since coming to office, many ministers have been relying on a daily bulletin prepared by the Labour Party's own monitoring unit at Millbank, near Westminster, charting daily presentation of policy in the media. There had been increasing unease among civil servants over the influence of Millbank.

Four departmental press heads have gone from their posts since Labour came to power, and others are said to be under threat. This week it was announced that Gill Samuel, head of information at the Ministry of Defence, is being replaced. Other changes have included Jill Rutter, a senior civil servant at the Treasury, who asked to return to policy duties,

and the removal from his post of Andy Wood, director of information at the Northern Ireland Office.

Last month, Mr Granatt told a meeting of departmental information heads that drastic action was needed to counter ministers' disillusionment with aspects of the GJS. The decision to go ahead with a pilot project was taken two weeks ago, at another meeting at the Home Office.

It is estimated that around 20 people would be needed to run the unit. But it has not yet been decided where it is to be physically situated. There are also ongoing discussions about the funding, with some departments wanting the Treasury to pick up the main part of the bill.

The unit will not be dealing directly with the media. Instead it is designed to be an internal pool for information and

ideas for each Government department. Those selected to be on it will be expected to not only record what the media are saying, but dissect it and present a critique. Any "mistake" or "twisting" of the perceived facts by journalists will be immediately noted and passed on to appropriate departments.

Ministers want to know how their statements or actions have been portrayed at the earliest opportunity. Many of them, and their advisers from Millbank, were astonished to discover that some daily press officers do not have access to the first editions of the newspapers at night.

After one press conference, a senior minister called his Whitehall press team together to complain he had never been so badly prepared. A junior minister complained: "It was a shock after dealing with the peo-

ple at Millbank to come here. Quite frankly they have an awful lot to learn from the Labour Party in this."

A senior information officer said: "We are always willing to learn. The fact remains that the Labour Party ran a very slick and successful media campaign in the run-up to the election, and ministers were unhappy with what they found at many of their departments."

"It is a fact that many ministers were relying on the briefing papers sent from the Millbank monitoring unit, and we had to either adapt or see our role being eroded. So this came about. There is some talk of a cull of the GJS by the new Government. But that is not the case. In some cases there simply has not been the chemistry needed between ministers and senior officers."

Less smell, more profit, says British Gas

Barrie Clement
Labour Editor

The pipeline company which distributes gas around Britain is trying to change its smell.

Unions argued yesterday that the company was planning to make it smell less like gas because, if it succeeded, there would be fewer reports of leaks and it would need fewer engineers employed on call-outs.

Transco, the British Gas supply subsidiary which has hatched the alleged plan, concedes that it may well reduce the pong quotient, but said it had nothing to do with job losses.

Officials of Unison, the public service union, smelled a rat when the company alluded to the scheme in a meeting this week to discuss 2,500 redundancies among the engineers.

A document shown to the union said that the artificial smell added to the odourless North Sea gas was to be reduced to the "minimum level to achieve customer awareness and recognition". While the old town gas had a satisfactory stench of its own, the new supply needed an additive to ensure that leaks could be detected.

Rodney Bickerstaffe, general secretary of Unison told TUC

delegates in Brighton that lives would be put at risk if Transco went ahead with the strategy. Mike Irem, the union's head of energy, added: "When water leaks you get wet, when gas leaks you are dead."

Sue Slipman, director of the Gas Consumers' Council, said she was worried about the plan: "This clearly has implications for safety standards and we shall be seeking an urgent meeting with Transco. Even if it is scientifically justified it represents a worsening of standards."

A statement from Transco contended that its intention to reduce the levels of "odorant"

had nothing to do with costs. The company was absolutely committed to safety.

It was conducting a review of the malodorous chemical added to gas, but its intention was to improve safety. The statement said that Transco was required by legislation to inject odorant into gas so that its characteristic smell can be identified anywhere in the country. "Too much odorant will give rise to unnecessary gas call outs so diverting resources from the source of real escapes. This could endanger life and property and would be completely contrary to Transco's safety standards."



QUICKLY

Memorial plans
The Chancellor, Gordon Brown, who is chairing the committee planning a memorial for Diana, Princess of Wales, met her brother Earl Spencer to discuss the project. Page 7

China changes tack
China is set to close the book on economic dogma today by abandoning state ownership of industry as the sacred doctrine of government policy in a speech to the 15th Communist Party Congress in Peking. Page 11

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Lessons of the past: Soutra Hospital, where the extent of the Augustinians' expertise was revealed. Cadfael, played by Derek Jacobi (below) is portrayed as a herbalist

Prozac, opium and myrrh: the ancient arts of anaesthesia are unlocked

Jeremy Laurence
Health Editor

A medieval hospital that straddled the main highway between England and Scotland has yielded the secrets of its extensive pharmacopoeia, showing that centuries-old treatments offered to the casualties of war between the two countries have never been bettered by modern medicine.

More than 200 herbs and spices were used in combinations to provide early painkillers and anaesthetics, antiseptics and anti-depressants for the retreating English armies – in some cases hundreds of years before their first previously recorded use.

Though the discovery has surprised historians, it will be greeted with quiet satisfaction by addicts of Ellis Peters' Brother Cadfael books – whodunnits about a medieval monk who potters in his herb garden, concocting remedies.

Detailed examination of the "medical waste" – mainly blood and human remains – retrieved from the drains of Soutra Hospital near Edinburgh, show that the Augustinian brethren who ran it for 500 years, from the 12th to the 17th centuries, were sophisticated physicians able to offer everything from major surgery to sleeping draughts for insomniacs.

Battle-scarred soldiers facing amputation were anaesthetised with a cocktail of black henbane,

opium and hemlock – several hundred years before the age of anaesthetics is understood to have begun with the discovery of ether and chloroform in the 1830s. Pregnant women were given ergot and juniper berries to induce labour long before natural childbirth was thought of, and patients afflicted with melancholia were offered St John's wort – still in use and known as "nature's Prozac".

Records held in archives at



Natural drug: St John's Wort, used to treat depression

Edinburgh's National Museum show that the hospital, one of the largest in Europe in the Middle Ages, was taken over on at least 80 occasions by English armies. Dr Brian Moffat, the archaeologist who has led the investigation, said that some English kings returned again and again.

It was usually the ones with blood on their hands – Edward I, II and III. One can only assume the facilities were up to

their standards. They didn't like to rough it, you know.

Dr Moffat, who describes himself as a professional muck-raker, has been analysing the contents of the hospital's drains for more than a decade looking for clues to the remedies and treatments used. Gristly evidence of amputations comes from the "surgical offcuts" that litter the site and mixtures of seeds indicate the drug cocktails that were given. "Discarded seeds are the mirror image of a recipe. If you can get hold of the seeds you can get inside the mind of the medieval physician," said Dr Moffat.

Opium was mixed with lead to provide an analgesic salve for wounds. The addition of myrrh, a highly efficient bactericide, and honey gave it antiseptic as well as painkilling properties. The use of myrrh, which came only from south-west Arabia, suggested the hospital was rich and well-connected.

Infestations of lice and scabies, frequent among the malnourished, were treated with arsenic preparations which were still in use in the Royal Edinburgh hospital in the 1960s. Worm infestations were treated with tormentil, a herb similar to the more common silverweed. Tincture of tormentil is still available from chemists as an astringent for worms and as an astringent for diarrhoea.

"What this means is that in 800 years, that treatment has not been improved on. The reason

you may not have heard of it is that drug companies cannot make a profit out of something that grows on every Scottish hill-top," Dr Moffat said.

The findings have stirred debate in medical circles over whether the medical history books will have to be rewritten. Professor Adam Smith of the Royal College of Surgeons of Edinburgh told BBC Radio 4's Today that Dr Moffat had provided a new picture of medieval anaesthetics. "We had always thought the simplest anaesthetic was to give an overdose of alcohol and render the patient senseless," the professor said.

Dr Moffat said: "Our research provides proof positive of the use of anaesthetics 500 years before [medical circles] recognise it."

of the location of the aneurysm. The results of the scan are then fed into a computer, which produces a "virtual patient" which the surgeon views while operating via 3-D goggles or on a TV monitor.

The tip of the probe carrying the stent is fitted with induction coils, which give out a magnetic field so that it can be tracked up the aorta. By combining this data with the CT scans, the computer can show the surgeon precisely where the stent is.

The operation is ideal for this sort of "fly-by-wire" surgery, said Professor Bell, because the patient does not move, and the aorta does not move, unlike organs such as the heart or bowel.

...while tomorrow's surgeons will rely on virtual reality

Charles Arthur
Science Editor

British surgeons will lead the world by using virtual reality (VR) systems to repair damaged arteries, a technique that could be available to thousands of people within two years.

The new operation is potentially less hazardous than the standard operation, and VR could also help doctors score themselves in performing surgery, the British Association for the Advancement of Science in Leeds heard yesterday.

Professor Peter Bell of the University of Leicester revealed that within eight months he hopes the first test will go ahead

at Leicester Royal Infirmary with a human volunteer. It will use keyhole surgery with VR techniques to repair a weakened section of the aorta's wall.

The aorta is the main blood vessel leading from the heart, and a weakness – or aneurysm – can be fatal if it bursts. Roughly 10,000 people are reckoned to die every year from aneurysms.

Surgeons can already repair aortic aneurysms using keyhole surgery, in which a probe is inserted into the femoral artery, in the groin, and pushed up towards the heart. At the aneurysm site, a tube of metal – known as a "stent" – is left to support the aorta's wall and reduce the stress on it.

But the process is difficult and risky. The aorta has a web of branches, and inserting the probe into the wrong branch could be deadly. Thus, it has to be tracked using X-rays throughout the operation.

"The surgeons and theatre staff have to wear lead-lined clothes, and a lot of people are getting exposed to radiation over a long period," said Professor Bell. "It isn't good."

Roughly 3,000 aortic repairs are carried out every year in Britain.

The new VR systems, being developed together with University College London, would take results from a computerised tomography (CT) scan to build up a picture of the path of the aorta within the body, and

isted of Earth itself, until recently.

In the early hours of this morning, ground control was due to attempt a risky 22-minute engine burn to slow the spacecraft to about 9,000mph and place it into an elliptical orbit.

This will be followed by four months in which ground control will use a navigational technique called aerobraking, in which the vessel dives into the upper reaches of the Martian atmosphere to lose speed and height.

The craft, which is about the size of a large garden shed and weighs about one ton, will not land on Mars. Instead it will position itself in a low orbit, taking high-resolution photographs which will show objects as small as 1.5 metres across.

These pictures will be sharp enough to help scientists conduct detailed geological studies without needing to set foot on the planet. It will, in particular, help to identify the likeliest sites where life might have taken hold, including areas where

there was once water, such as lake shores and mineral remains of ancient hot springs.

The mission is the first in the second wave of a decade-long invasion of the red planet by Nasa, which will launch a probe to Mars every 26 months into the next decade.

Some will land, and bigger, better rovers are planned that will roam the surface for kilometres, collecting rock samples and even sending them home to earth as the search for extraterrestrial life intensifies.

Video clue to cot death mystery

Tim Cornwell
Los Angeles

Research findings by a controversial British doctor who claims to have used hidden cameras to film mothers trying to strangle or choke their babies are to be published in an American medical journal.

Paediatrician Dr David Southall became a deeply controversial figure when it emerged that he had arranged the secret taping of parents after their children were hospitalised because they were thought to be at risk of cot death – also known as Sudden Infant Death Syndrome (Sids).

But *Pediatrics*, the journal of the American Academy of Pediatrics, will publish his work as the leading article in its November issue along with a "laudatory" commentary from one of America's best-known experts on child abuse.

The journal's editor, Dr Jerold Lucey, said Dr Southall had been pilloried in some quarters in Britain for approving the secret filming of families where he suspected that abuse, not medical illness, explained cot death. But attitudes were very different on the other side of the Atlantic, and the article was an attempt to vindicate Dr Southall's work, much of it at the North Staffordshire Infirmary in Stoke-on-Trent.

"The British attitude seems to be that it wasn't cricket," Dr Lucey said. "We happen to think he's a hero." He said the journal would seek permission to take the videotapes and make them available on the Internet as a teaching tool, with faces blocked out.

Most paediatricians cannot bring themselves to believe that a mother could murder her

own child, but Dr Southall's work was "proof positive" in pictures. Dr Southall has become a major figure in a debate that has raged on both sides of the Atlantic for 25 years over the medical diagnosis of Sids and how often it is a cover for child abuse or infanticide – particularly where a previous death of a child in a family is blamed on cot death.

In 1972, *Pediatrics* published an article that examined two deaths from Sids in a New York family, and suggested that it could run in families. It helped to create an entire industry devoted to diagnosing and testing for Sids. But two decades later the mother in the case, Wanda Hoyt, confessed to killing five of her children.

Dr Southall, armed with studies of thousands of children, led those who challenged the notion that Sids ran in families and set out to prove that it was impossible to identify babies that were going to die. His work is described in a new book, *The Killing of Innocents*, published in the US by Bantam.

Dr Lucey refused to supply a copy of the journal, saying it was embargoed for publication in November, and Dr Southall did not return phone calls yesterday. But his work will reportedly be printed alongside new US research showing that of 155 cases of "near miss" Sids cases at a hospital in Massachusetts over 20 years, in which children have reportedly stopped breathing and been revived, one-third had suspicious circumstances.

The article brings together research that started in the 1980s and reportedly involved the filming of hundreds of parents hospitalised with their infant children.

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Mars mission reaches critical stage

Amanda Kelly

Global Surveyor, the spacecraft which is set to revolutionise our knowledge of Mars, was last night ready for the critical rocket firings that will guide it into orbit.

Coming soon after the *Pioneer* project, the spacecraft will perform the most comprehensive photographic survey of another planet ever undertaken, and provide scientists with better maps of our nearest planetary neighbour than ex-

news

Doctors give measles vaccine all-clear

Jeremy Laurance
Health Editor

There is no evidence that measles vaccination increases the risk of bowel disease, and fears about the safety of the injections may have been overplayed, scientists say.

Alarm about measles vaccination has grown in recent years because of concern that it may lead to ulcerative colitis and Crohn's disease – both inflammatory diseases of the bowel – in later life. A 1995 study, published in the *Lancet*, by doctors from the Royal Free Hospital in London, suggested there could be a link, which led to some parents refusing the vaccine for their children.

In a new study, published in tomorrow's *Lancet*, Dr Mark Feeney and colleagues at Poole Hospital, Dorset, studied 140 patients with inflammatory bowel diseases born since 1968 and found they were no more likely to have had measles vaccination than 280 healthy patients matched for age and sex.

A separate analysis of patients with Crohn's disease or ulcerative colitis again revealed no significant difference in measles vaccination rates.

"Our results show no evidence of a link between live attenuated measles vaccination in early childhood and the subsequent risk of developing either [disease]," the authors write.

Experts say the risks of the measles vaccine are outweighed by the risks of the disease it prevents, which can cause brain damage and death.



Full ahead: Chris Smith, Secretary of State for Culture, Media and Sport, aboard HMS Gannet, the last surviving Victorian naval sloop, in Chatham Dockyard to announce a £16m facelift for the yard. Some £10m will come from the Heritage Lottery Fund and Sir William Staveley, chairman of the dockyard's trust, said the cash would help turn it into a world-class heritage site. Photograph: John Voos

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Carey attacks social ills of joblessness

The Archbishop of Canterbury delivered a hard-hitting speech on the social ills of unemployment yesterday. Speaking at a conference on joblessness in London, Dr George Carey said church leaders had "a right and duty" to speak out on such problems as the "spiritual exclusion" of unemployment.

He explicitly praised the Labour government's inquiry into Britain's underclass, but warned the new administration against slavishly following economic dogma.

Dr Carey also spoke of the "excesses of one-eyed monetarism in the 1980s" to an audience that included the Chancellor, Gordon Brown.

It came just two days after he became the first Archbishop of Canterbury to address the TUC conference in Brighton, where he said employers had a "moral responsibility" to recognise unions.

"We all need to be needed," he said. "Dignified work is about participating in the common life, about making a useful contribution to our fellow

citizens, about being part of a community of work, even about fulfilling a part of our humanity. That is why, as Archbishop William Temple pointed out, the worst suffering of unemployment lies not in its material deprivation but in the spiritual deprivation of exclusion from contributing to the common life of society."

Yesterday Dr Carey officially received an ecumenical report into unemployment commissioned by the Council of Churches for Britain and Ireland and published during the general election campaign.

"The churches have a right to speak out about it, both because our beliefs about the nature of humanity and because we are present in every part of this land, including those from which most other institutions have departed," he said.

Dr Carey was "delighted" with the Cabinet Office's new inquiry into social exclusion. "It is courageous and right deliberately to raise expectations in this way and make it a touchstone for the long-term success

of government policies," he said, adding: "First, no doubt there will be some who will greet this as 'once again the Church is getting embroiled in politics'."

"If by that they mean taking our place in the affairs of life, caring for people and seeking to ensure that others have the rights and privileges they deserve as children of God, then we plead guilty. If they mean that we are dabbling in party politics, they are wrong because what this inquiry is about transcends us all and calls all people, regardless of political and religious affiliation, to tackle the curse of unemployment."

Later, the Tory MP Ann Widdecombe accused the Archbishop of "proselytising for the socialists". Miss Widdecombe, who converted from the Anglican Church to Roman Catholicism, told PA News that Dr Carey seemed "wholly unaware that the Tories' unemployment record was the envy of the rest of Europe, and particularly in the field of youth unemployment. It is significant that he never gave any credit for this".

GP induced 'easy death' of patients

A country doctor has admitted inducing the "easy death" of two of his patients. Dr Nick Maurice, 54, whose family has treated people for generations in the market town of Marlborough, Wiltshire, said that doctors practise euthanasia all the time and should be proud of it.

His comments drew support from the writer and broadcaster Sir Ludovic Kennedy, the president of the Voluntary Euthanasia Society, who lives at nearby Avebury. He praised the doctor's actions as "admirable".

Wiltshire police said they are aware of the doctor's admissions – given in a newsletter to his patients – and were "looking at the circumstances". Dr Maurice, who works in the town's only GP practice – the Marlborough Surgery with about 12,000 patients – denies any suggestion that he is simply "killing" his patients.

He declares in his newsletter:

"We doctors are practising euthanasia all the time and should be proud of it. In the past three months I have induced a quiet and easy death for two of my patients for which the relatives were grateful. That is not to say I have killed two patients. It is simply to say that I have given sufficient quantities of morphine to ensure that the physical and mental suffering of the patient, and the relative also, has been kept to a minimum."

The doctor does not name the patients. He defines euthanasia as allowing people to die "peacefully and quietly".

He says: "I simply offer the best possible comfort and care using drugs available to me." His surgery patients are invited to fill in Advance Directives – sometimes called "living wills" – stating how they wished to be treated in the event of a terminal illness.

It was interest in these Ad-

vance Directives from patients which brought about the doctor's article, according to practice manager Michael Reynolds.

He said: "Dr Maurice wrote the article because of interest being shown by his patients in these Advance Directives. We decided it would be best to clarify what the practice does in such circumstances."

Dr Maurice is against legislation of the induction of a patient's death. He maintains: "I have grave concern how an induced death would be handled. I can envisage a patient being surrounded by lawyers, doctors and even policemen – and that is the last scenario a dying person needs."

Sir Ludovic gives his support for the doctor in a letter to the *Wiltshire Gazette and Herald*. He praises the doctor's actions as "admirable for the compassion shown in bringing his patients' suffering to an end".

festival of science

Football loses out in psychology game

Why Gareth Southgate should never have taken that penalty

Nicholas Schoon

Gareth Southgate should never have been allowed to take the missed penalty that knocked England out of the European Championship last year.

A psychological profile of the player, unveiled at the British Association yesterday by Dr George Sik, a psychologist, describes a team player who will volunteer for anything but who is temperamentally unsuited to taking penalties.

Dr Sik said he was not allowed to name the player, who filled in a questionnaire as part of a research study. But he left no doubt that it could only have been Southgate.

Asked directly if he was referring to Southgate he said: "There have been three or four players who have missed penalties in major tournaments recently. It was one of those. In fact it was probably the first one you would think of."

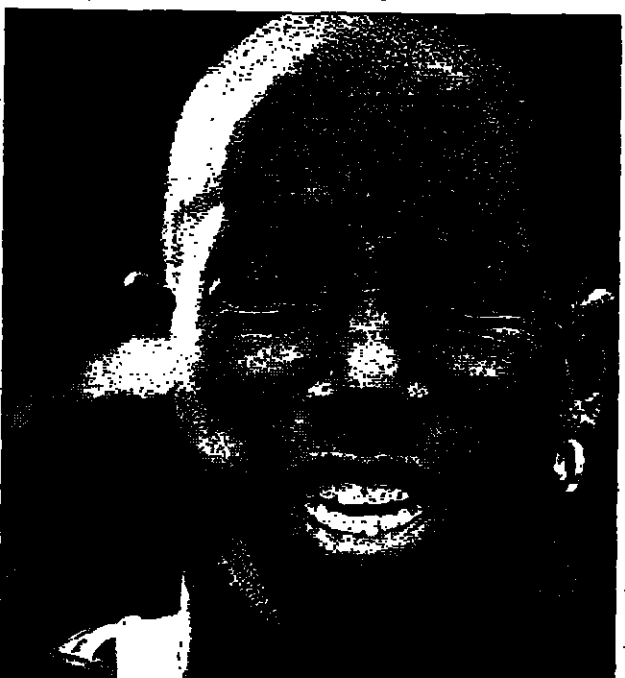
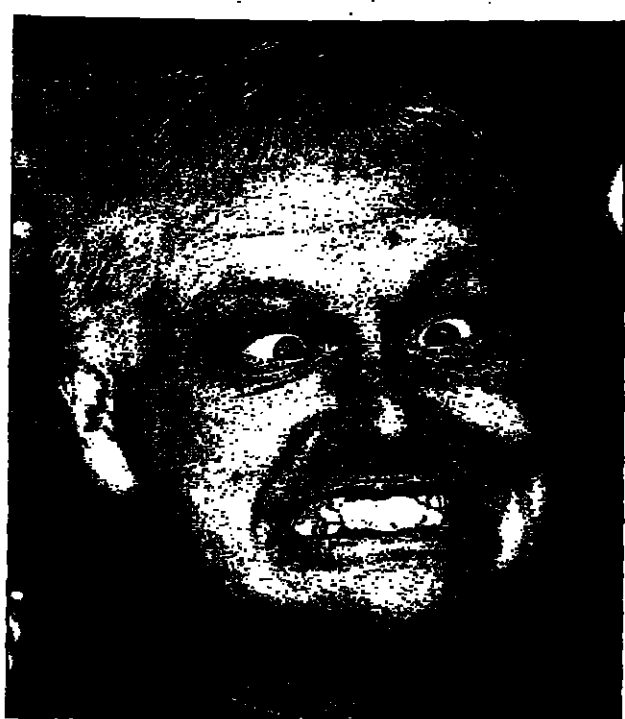
He confirmed that the player had volunteered to take the penalty and that it was a last-minute decision.

Dr Sik, from management consultants Saville and Holdsworth, believes football teams could benefit from business techniques such as psychological profiling. He has built up profiles of 60 players concentrating on three clubs, Crystal Palace, Sheffield United and Celtic, and interviewed several managers.

Clubs are making increasing use of psychologists and psychiatrists. The Rangers and England player Paul Gascoigne sought counselling following reports that he had beaten his wife, and more recently his international colleague Ian Wright pledged to have counselling for his surplus aggression.

But Dr Sik, who has written two books about football and the mind, said that clubs often enlist such help too late, when a club is in the relegation zone or close to a crucial cup tie. And they often face suspicion and resentment from coaches who feel undermined.

He advocates profiling of



What a choker: Gareth Southgate's penalty miss in last year's Euro96 semi-final against Germany may have been avoided by using psychological profiles of players which can identify the right mental characteristics needed for such situations. His England colleagues Paul Gascoigne (top left) and Ian Wright, have both sought counselling for their problems



Photographs: PVA/Isport/The Mirror

every player when they join the club. His 60 subjects had to answer a standard psychometric questionnaire of the kind used by firms for prospective and rising employees.

Players answered about 230 questions concerning how they felt about themselves and others, their attitudes, values and how they would deal with a

range of situations. "We found the players covered the whole spectrum of personalities. There was nothing to distinguish them from the other people we profiled, apart from being slightly more competitive."

He suggests players chosen to take penalties should never be of a pessimistic cast of mind. Nor should they be the type who

would volunteer to take the shot out of a sense of duty.

"Treating everyone in a team in exactly the same way, the old 'get your heads down and get stuck in' school of management associated with sergeant majors, is unlikely to get good results in a group comprised of differing individuals all motivated by different things.

"Increasingly, the most successful coaches and managers emerge as those who appreciate individual differences and treat different team members in slightly different ways, aware of when they can afford to be more aggressive, when to throw an arm around an under-confident player and so on."

He said legendary football

managers such as Jock Stein, who led Celtic in the 1960s, and Alex Ferguson of Manchester United, were instinctive psychologists with a superb understanding of motivation.

Stein built up files on his players, their foibles and fears, by talking and drinking with friends and family members. His diminutive winger Jimmy John-

stone loathed flying, and Stein assured him before an important match that he would not have to fly to the second leg overseas. "It worked - Johnstone got a flurry of goals."

Dr Sik said that with clubs spending increasingly gargantuan sums to buy players, it was worth assessing the footballer's long-term motivation. And hav-

ing done so, it made no sense not to do everything the club could to ensure the stars were as highly motivated as possible.

He believes older players have different motivations to younger ones and are more supportive and team-spirited. They can make a contribution to the motivation of other players, even when injured.

Dining with the dinosaurs proved a ripping tale

Nicholas Schoon

Tyrannosaurus rex was a "shake feeder" which ripped its prey apart by holding victims in its huge jaws and rapidly swinging its skull from side to side, or up and down, a scientist told the British Association's Annual Festival Of Science yesterday.

This shaking either ripped huge mouthfuls of flesh off the skeleton or was used to dismember the body, snapping bones and tearing off limbs, said Dr Phegarten Lingham-Soliar of the Russian Academy of Sciences. It is a method of feeding used today by sharks, crocodiles and killer whales.

However, Dr Lingham-Soliar has no solid proof; like so much dinosaur lore, hysteria mounts to intelligent speculation.

Its starting points are that the huge, bipedal carnivore which became extinct 67 million years ago had tiny forelimbs and an enormous skull and teeth. These minuscule arms were too puny to grasp struggling prey while the skull was so big in order to provide attachment



Jaws: *Tyrannosaurus rex* ripped its prey apart

areas for massive neck muscles used in the vigorous shaking. Rows of teeth the size of carving knives would rip through flesh and sinew as the prey was swung violently around.

Dr Lingham-Soliar, editor of a Moscow based palaeontology journal and a specialist in functional anatomy, said Steven Spielberg got much of his dinosaur details right in *Jurassic Park* (he has yet to see this summer's sequel).

In the film, *T. rex* is seen shaking smaller dinosaurs to death - as well as a lawyer.

So why did the seven-ton dinosaur, which stood 15ft tall, have such tiny forelimbs? The scientist believes it was because *T. rex*'s ancestors had less and less use for them, so evolution reduced their size.

Perhaps they were used to help get it up on its hind legs after lying down.

Dr Lingham-Soliar rejects

the theory of some palaeontologist that *T. rex* was mainly a scavenger feeding on the remains of animals killed by other predators. "An animal built like that is no scavenger," he said. He guesses it could run at 30mph.

Tiny, floating soap bubbles filled with air and helium have helped uncover the secrets of the flight of birds, which are all believed to have descended from an early dinosaur. Biological aerodynamics expert Professor Jeremy Rayner explained how his group at Bristol University had been using these bubbles to study the all-important air vortices left by flying birds.

The bubbles hang motionless in the air in the laboratory until a bird flaps through them. Their movement is then captured on film and used to analyse the precise shape and movement of the vortices.

Understanding the behaviour of these high energy air movements is essential to explaining the lift and forward propulsion and estimating the energy consumption of flapping flight.

Why giraffes' necks aren't longer

Charles Arthur
Science Editor

Scientists have discovered that the main thing that stops giraffes from growing longer necks - and so eating from even higher trees - is their hearts.

Giraffes, whose necks typically make up half their 5m (16ft) height, already have enormous hearts, which make up 13 per cent of their total body mass.

compared to just 0.5 per cent in humans.

According to Professor Tim Pedley, of the University of Cambridge, the extra heart size is necessary to pump blood up the neck to the brain, and ensure that it still has some residual pressure when it leaves the skull, so it will flow down the jugular vein back to the heart.

Evolutionary theory would suggest that a giraffe which

was taller than its peers and had no side-effects from it would have an advantage, since it should be able to reach food higher up. The fact that that has not happened suggests that long necks present a significant problem for the circulatory system. Professor Pedley and his co-workers have developed mathematical models to look at what that means.

"An important example is

what happens when a giraffe wants to raise its head quickly after having its head down to drink. The prediction of our model is that it takes nearly 10 seconds for the usual upright steady state flow to be established." This implies that giraffes feel faint when startled. "We have only begun to think about the implications for the giraffe when it is startled and tries to escape," he said.

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news

One in five Britons fails literacy test

More than one in five adults in Britain has literacy skills so poor they cannot adequately read a bus timetable, fill in a form or follow a recipe, according to an international survey.

The Government-backed study, published yesterday, reveals that more British adults are struggling at the lowest literacy level than their counterparts in any other developed country surveyed – except Poland.

Older people, the unemployed and women are among the groups most likely to experience serious difficulties with reading.

The bleak findings were seized on by David Blunkett, the Secretary of State for Education, as vindication of the Government's literacy strategy, emphasising the three Rs in schools, and employment schemes for young people. However, basic skills experts stressed the need also to help older adults, who did particularly poorly in the tests.

The study, published by the Office for National Statistics, is based on a random sample of 3,800 British people aged between 16 and 65.

It found that 22 per cent – equivalent to around 8.4 million in the population as a whole – lacked the ability to compare and contrast two written pieces of information or work out simple sums, such as the amount saved on a product discounted in a sale.

A further 30 per cent of those who took the tests performed only at literacy Level

Study finds many struggling with the most basic skills, writes Lucy Ward

Two. The figures mean that more than half the British population has literacy skills below Level Three – the standard generally agreed as the minimum necessary to cope with the demands of modern life.

The study, to include over 20 countries by the end of 1998, defines literacy as "using printed and written information to function in society, to achieve one's goals and to develop one's knowledge and potential."

Those taking part carried out 45 tasks based on material from daily life such as recipes and tables of returns on investments.

The assessments measured three types of literacy: prose literacy – the ability to understand newspapers and passages of fiction; document literacy – the ability to use timetables, graphs, charts and forms; and quantitative literacy – the ability to solve maths problems by picking out numbers found in texts.

The findings show a distinct polarisation among the British population, with a relatively high proportion with either the lowest or highest skill levels.

The trend was similar in

Canada and the United States – the two other English-speaking countries in the study.

On all three literacy scales, a higher proportion of people aged 45 and over fell into the lowest literacy category than among younger age groups – flying in the face of common claims of declining basic skills standards.

The survey also confirmed past findings that literacy skills are poorer among those with lower levels of education and among people who are out of work or in lower-skilled occupations.

However, it revealed that, even among those at the lowest literacy level, the majority questioned considered their skills to be adequate for daily life.

Alan Wells, director of the Basic Skills Unit, one of the bodies sponsoring the survey, said it showed the problem was worse than had been thought. He called for a campaign to improve adult literacy, saying: "I think the Government's priorities are right, and it is important to get basic skills right first time, but you can't afford to neglect parents and grandparents who are going to have a major impact on the skills of their children."

Welcoming the survey, Mr Blunkett said: "Sound literacy and numeracy skills provide the bedrock for all subsequent learning."

The Government has appointed an advisory group on adult learning, and we will publish a policy paper on lifelong learning before the end of the year.



Learning zone: Fay Bullivant recognised she had a problem, and enrolled on an adult literacy course

Photograph: Nicola Kurtz

'We were afraid to say we didn't understand'

Until two years ago, Fay Bullivant carried a pocket dictionary everywhere she went, writes Lucy Ward. She was terrified that, without her lifeline, even writing a simple note or filling in a form might expose her struggles with spelling and punctuation, covering her in shame and embarrassment.

Fay began to conquer her fear, only when, at the age of 48, she mustered the courage to enrol on an adult literacy course and began slowly to fill in the gaps in her learning that had sapped her confidence since school.

"I was one of the many adults who didn't have a very good education," said Fay, who attended

a convent school in the East End of London and now lives in Havering. "In my day, if you weren't up and running you were left on the heap. We were brought up afraid to speak up and say we didn't understand."

Leaving school at 15 with no qualifications, Fay became a machinist for a garment firm, wary of trying any job requiring literacy skills. "I went into the rag trade because those were jobs where I could use my hands and not my brain. There were many people like me. I used to say I couldn't have stood being shut up in an office all the time, but really that was just an excuse."

Wherever possible, Fay would avoid situations where her writing or spelling would be tested.

In 1995, a leaflet through the door from Havering Basic Skills Service provided the impulse for change. Despite fears of embarrassment, Fay signed up, and, two years on, has passed GSCE English and a word-power qualification.

Now beginning training as an aromatherapist, she advises others with literacy difficulties to face up to the problem. "I've gained enormous confidence. I know I've still got a long way to go, but I've got the determination to stick at it."

Education bodies get a health check

Judith Judd
Education Editor

A dozen education authorities will be inspected from January next year as part of the Government's crusade to raise standards, the education watchdog announced yesterday.

David Blunkett, the Secretary of State for Education, believes that efficient local education authorities have a crucial part to play in the education Bill to be introduced this autumn will give them more power.

But Chris Woodhead, the chief inspector of schools, said that inspections might show that local authorities had no impact on school standards. A recent inspection of Barking and Dagenham had revealed that while the schools performed badly, the authority functioned well.

Yesterday's list includes six authorities from among those with the lowest-performing primary and secondary schools.

three from among those with the best and three which are in the middle. The Office for Standards in Education (Ofsted), which picked the councils, divided them into three groups, London, metropolitan and shire counties. Schools were judged on 11-year-old national test results and GCSE results.

In London, the worst are Southwark and Tower Hamlets. Kingston-upon-Thames is the best and Brent the median. Among metropolitan authorities, Manchester and Sandwell, West Midlands, are worst. Bury best and Sunderland the median. Among shire counties, Leicestershire and Nottinghamshire are worst, Surrey best and Kent the median.

Unlike schools, authorities will not be graded. Mr Blunkett has said that he will take new powers to take over failing authorities, but at present no legal definition of a failing authority exists. Teams of in-

spectors from the standards office will visit each authority and question schools at the services the council provides.

Mr Woodhead said: "We think that it is important for all aspects of the education service to be subject to rigorous external scrutiny. We are shining a spotlight very sharply on what an authority is doing to raise standards in schools."

Mr Blunkett said: "The programme of inspections and published reports will allow comparisons of performance to be made... If an authority does not meet the required standard, I will not hesitate to intervene." Inspectors will also examine the role of elected councillors in raising standards.

Ofsted has already carried out pilot reviews of some authorities at their invitation. A report on the London Borough of Hackney, inspected at the request of the Secretary of State, is due out next week.

Heads' union submits pay claim to end crisis

Lucy Ward

Head teachers' leaders yesterday submitted a 10 per cent pay claim – treble the rate of inflation – and insisted that only a substantial rise would reverse a growing recruitment crisis.

The salaries of heads and deputies had fallen significantly behind those of managers in comparable posts in both the public and private sectors, said the National Association of Head Teachers.

The union, which last week published figures showing a dramatic drop in the number of applications for headships and deputy headships, said the decline was directly linked to inadequate pay for high-stress jobs.

The pay claim is certain to be resisted by the Government, which is keen to keep salary lev-

els down to prevent an inflationary spiral.

The NAHT demand would see heads of large secondary schools earning an average £54,000 – around £3,000 more than at present – and heads of large primaries around £39,000 – a rise of £4,500. Deputies would also win rises of around £3,000.

Low wages have led to a situation where at least 400 schools in England and Wales have been unable to recruit a permanent head teacher, according to NAHT figures.

General secretary David Hart said: "When the Chancellor of the Exchequer shortly publishes the Government's position on public sector pay, he must accept that recruitment problems have to be recognised in pay terms."

"Teachers will only apply for

the most senior posts in the profession and undertake the significant responsibilities attached if they believe that the salaries offered constitute the 'rate for the job'."

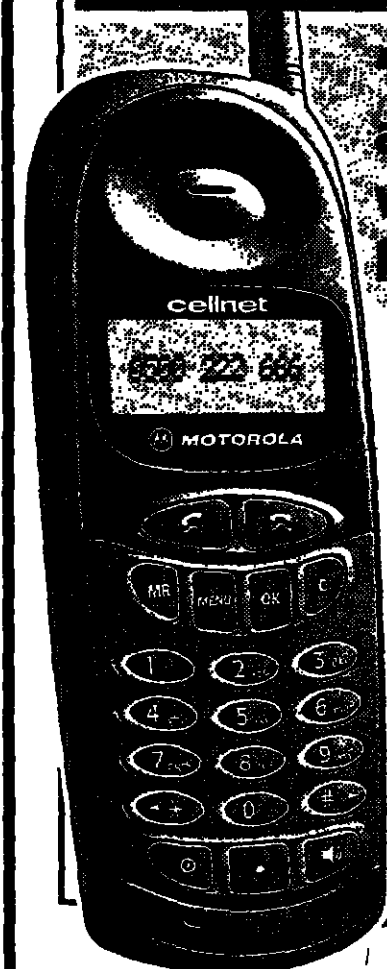
"Any Government which tries to 'buck the market' with a public sector pay policy, which seeks to artificially hold down salaries, risks provoking an even greater recruitment crisis."

Statistics drawn up by NAHT found that more than six out of every 10 advertisements for senior posts in small and average primary schools this year led to 10 applications or fewer.

The School Teachers' Review Body will consider the NAHT evidence before making its report to Education Secretary David Blunkett in February, in time for revised salaries to become effective on 1 April next year.

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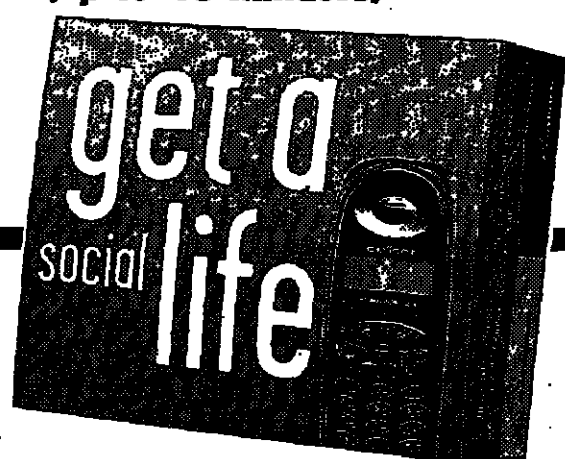


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مكتبة الصلح



Well prepared: A Scout wearing mask and gloves removes some of the freshly laid blooms from outside St James's Palace yesterday Photograph: David Rose

Gently does it, as flowers are moved

Amanda Kelly

The painstaking and delicate task of clearing away the oceans of floral tributes left to Diana, Princess of Wales, got under way yesterday.

Guides and Scouts were among the dozens of volunteers who started gently moving the flowers from the now dusty piles which line the walls of St James's Palace. It is expected to take up to six weeks to clear the tonnes of flowers, teddy bears and other tributes laid at sites all over the capital.

David Welch, chief executive of Royal Parks, the body overseeing the operation, said: "We are trying to do the job in the most sensitive way possible. We want to remove the flowers and tributes with the same spirit that they were laid. It really is a massive task and we have had to take on extra staff... to help with the work. There will be about 100 people working on the clear-up process every day."

Wearing plastic gloves, volunteers were carefully separating the freshly-laid blooms from the floods of decaying bundles and loading them on to a horse-drawn dray to be delivered to hospitals around London. The rest

were put into plastic buckets to be used as compost in the Palace's gardens.

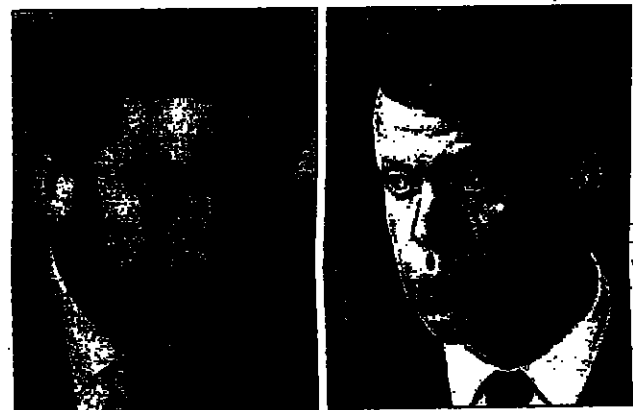
Craig Huddleston, 13, of the 1st London Colney Scout Group, said: "It's a really sad job. I'd seen all the flowers on television but it's far more moving to be here in real life. Some of the messages people have written are lovely and it's amazing because they have come from people all over the world."

The labels, messages and cards were being taken to a site in Regent's Park and dried and stored until the Spencer family has decided how best to preserve them. Toys and other gifts will be distributed to a range of needy causes around the country.

Val Doreen, of the Women's Royal Voluntary Service, said: "There is a very melancholy atmosphere as we work. It is hard not to be moved as a lot of the messages are from children and they really bring a tear to the eye. The most touching tribute I've handled today was a picture with the words 'Our angel Princess Diana sitting on a cloud in heaven'."

The clearance operation is expected to begin at Buckingham Palace and Kensington Palace today.

Spencer has say on Diana memorial



Working together: Gordon Brown and Earl Spencer

Kim Sengupta

Gordon Brown, who is chairing a committee planning a memorial for Diana, Princess of Wales, yesterday met her brother, Earl Spencer, to ascertain the family's views on the project.

The Chancellor is keen to ensure that members of the family are fully consulted on every stage of the planning of the memorial, and that it should reflect the personal touch the Princess brought to her public duties.

Both the Prime Minister and Mr Brown are believed to favour a permanent tribute which would help continue the Princess's humanitarian work.

One of the ideas expected to be considered is the setting up of a national or international foundation in her name. This could be in addition to a physical tribute such as a statue.

Mr Brown has said the committee, the composition of which would be announced in the near future, should not be party political. He has also invited people to write to him in Downing Street or the Treasury, and asked for an e-mail address to be organised.

The amount of money available to honour the Princess's memory will be boosted by the Government's decision to give up its claim to VAT on the sales of copies of "Candle in the Wind". The tax, which could easily be more than £1m, would be passed to the fund.

Sales of "Candle in the Wind" are expected to outstrip the 3.5 million copies of Band Aid's "Do They Know It's Christmas" in 1984, and there are hopes the total revenue could be more than £10m.

The Chancellor has also asked the Inland Revenue to

publicise the fact that gifts of £250 or more made to the memorial fund will attract tax relief.

The Prime Minister was not present at yesterday's meeting between Mr Brown and Lord Spencer. According to one report, Lord Spencer wants to press Mr Blair for a privacy law against media intrusion, which he condemned in his address at his sister's funeral at Westminster Abbey.

He is said to have received 27,000 letters from people supporting his remarks about Diana being "hunted" by the media and how the Spencer family would ensure the two princes escaped that fate.

It has been claimed that efforts have been made in South Africa by members of the press to obtain divorce papers filed by Countess Spencer, the former Victoria Lockwood.

Although divorce court documents in South Africa can be viewed by the public, it is illegal to publish the contents. The Spencer documents have now been withdrawn from public view.

Lord Spencer is also said to be considering taking the *Guardian* newspaper to the Press Complaints Commission after it reprinted photographs of the countess in a private addiction clinic.

Details of her condition, illustrated by long-lens photographs, were first reported in the *News of the World* two years ago. The article was found to be in breach of the commission's code of practice.

The Government has been cautious about taking steps on a privacy law in the current climate of emotion following Diana's death. It prefers a system of self-regulation by the newspapers.

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Women jailed for Abbey thefts

Two women tourists who stole teddy bears and flowers that had been left outside Westminster Abbey in tribute to Diana, Princess of Wales, were jailed yesterday for four weeks.

Magistrate Roger Davies, sitting at Horseferry Road Magistrates Court in central London, said he had to tell the women that their actions had caused a public outrage and that they

Marie Hughes, 34, a teacher from Wiltshire, and Silvia, 50, a communications technician from Wiltshire, had been caught by police on the night of the thefts.

After being charged with theft, the women were held in custody for four weeks. They were released on bail for four weeks.

news

Fox on the run evades the men from the ministry

Kathy Marks

A fox that has bitten five people in a Cornish fishing village is believed to be roaming the area, evading a Ministry of Agriculture team armed with dart guns and nets.

The Ministry sought to allay fears of a rabies scare in Mousehole, near Penzance, yesterday saying there was no evidence that the fox was rabid. However, it has advised victims to have a precautionary injection.

Reports that an injured fox had been found in a gutter in Penzance raised hopes yesterday that the culprit had been tracked down. But the RSPCA said it was not the same animal.

Five people, including a fisherman, have been bitten in Mousehole, a popular tourist spot, since last weekend.

Last Sunday, the fox cut a swathe through the quayside, possibly looking for offcuts of fish. After being shooed out of a gift shop by a man who received a vengeful nip on the ankle, it sank its teeth into a passer-by eating fish and chips near the harbour. It then repaired to a pub car park, where it ambushed a woman from

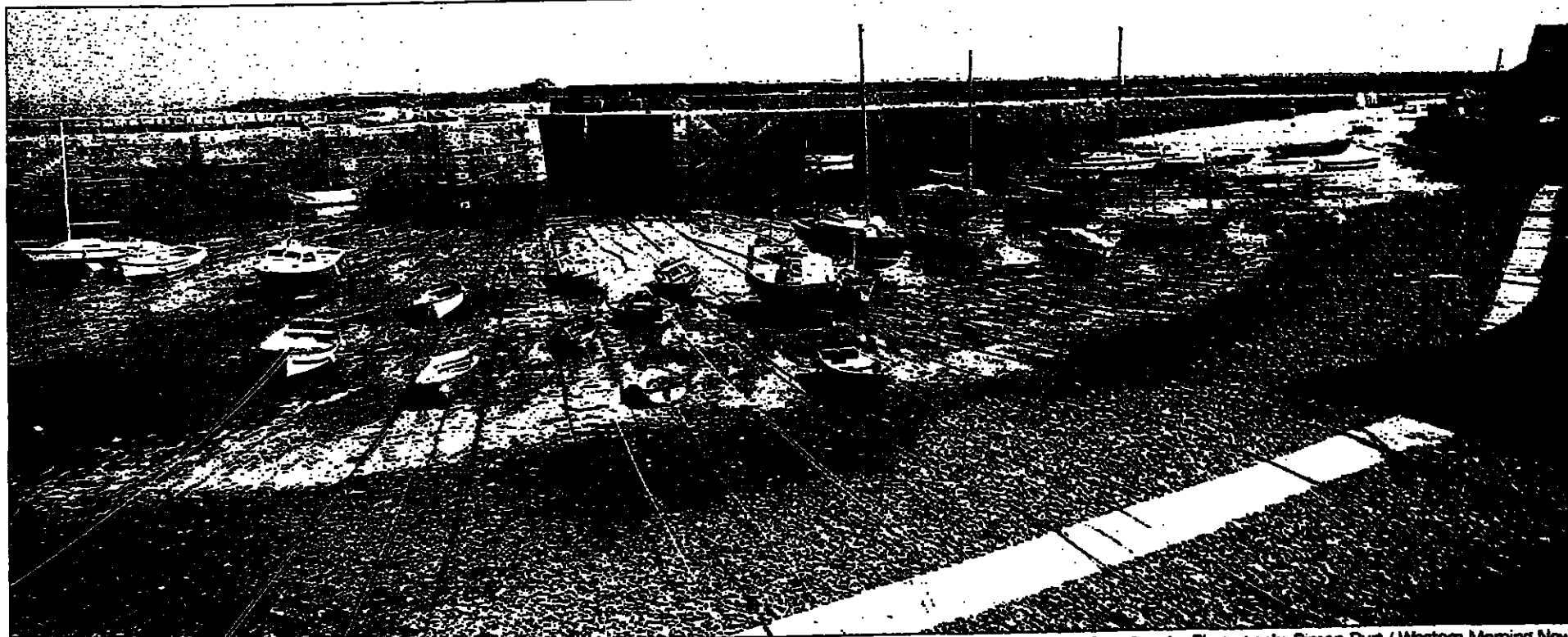
beneath her vehicle. Mousehole has a thriving fox population, but attacks on people are highly unusual. The RSPCA said that the fox was probably hungry rather than rabid.

"It sounds like a tame animal that has lost its natural fear of humans," said a spokeswoman. "Or it may be that it has been fed regularly for a while, and then abandoned."

A team of seven people – two Ministry vets, two public health officers, two council "trappers" and an animal biologist – has been prowling popular haunts of foxes in Mousehole after dusk. But their quarry appears to have gone to ground.

The fox discovered on the seafront in Penzance had been hit by a car and was concussed. Having made a full recovery, it has been ruled out of inquiries. "It is an ordinary RTA (road traffic accident) fox," said Les Sutton, the RSPCA's chief inspector for Cornwall. "Besides, to travel to Penzance it would have had to negotiate an awful lot of traffic and find its way around the streets."

Devon and Cornwall police said they would send a marksman to shoot the fox if found.



Hunted harbour: the Cornish fishing village of Mousehole where terror, in the form of a fox which attacks people, stalks the streets Photograph: Simon Burt / Western Morning News

Ashdown takes 'Yes' message to Wales

Tony Heath

Co-operation, not confrontation was the politics of the future, Paddy Ashdown declared yesterday, throwing his weight behind the Welsh "Yes" campaign.

Surrounded by a platoon of party workers, the Liberal Democrat leader, arrived in Wales by "battle bus" yesterday to spread the message that devolution is a good thing. He chose a Brecon factory specialising in the manufacture of conveyors as a launch pad.

The choice of the mid Wales town was significant; it is the heart of the Brecon and Radnorshire constituency which witnessed scenes of jubilation on 2 May when the Liberal Democrat Richard Lacey defeated the incumbent Tory Jonathan Evans leaving Wales a Tory-free zone.

The Liberal Democrats now allied with Labour and Plaid Cymru are engaged in a struggle that looks like being much closer than the general election contest in which Mr Lacey triumphed by 5,097 votes.

But Mr Ashdown was not fazed. "Talking to people in Pontypridd on my way here I found real enthusiasm for a 'Yes' vote next Thursday," he said.

Co-operation between the three parties in favour of devolution demonstrated that old-style confrontations went out of the window when a common adjective was in the sights.

Touring the Nerak-Wiese factory on Brecon's Ffrwdgrech Industrial Estate, he donned a face mask to try his hand at paint spraying and walked past a machine permanently labelled "Do All Job Selector" – an ominous perhaps for aspiring Welsh assembly men and women. If all goes well on 18 September, 60 newly minted WAPs (Welsh Assembly Persons) will be taking their seats in a couple of year's time.

The "Yes" campaign was joined by a Spanish exponent of devolution's virtues. Juan Colon, an MEP from Catalonia was canvassing in the valleys as the guest of Wayne David, MEP for South Wales Central. Last night, he was due to share the platform with John Prescott at a rally in Llantrisant.

Catalonia was one of the up-and-coming regions of Europe, an enthusiastic Mr David explained. "Ten years ago there were calls for Catalonia to secede from Spain. There is very little call for that now – devolution has reinforced the integrity of the Spanish state."

The "Yes" camp criticised the ICM poll published in the *Guardian* earlier this week, it predicted a very close result. Between 4 and 8 September, 502 voters were interviewed – about half the number normally considered large enough to reflect opinion accurately.

Darren Hill, national organiser of the "Yes" campaign, said: "It seems somewhat bizarre to hold a poll during the time when mourning over the death of Diana, Princess of Wales was at its height. We are not surprised that people's minds were not on politics during that time."

The future of at least one Welsh university could be jeopardised by a "Yes" vote in next week's referendum, a leading academic claimed yesterday.

Derec Llywyd Morgan, vice-Chancellor and Principal of University of Wales Aberyst-



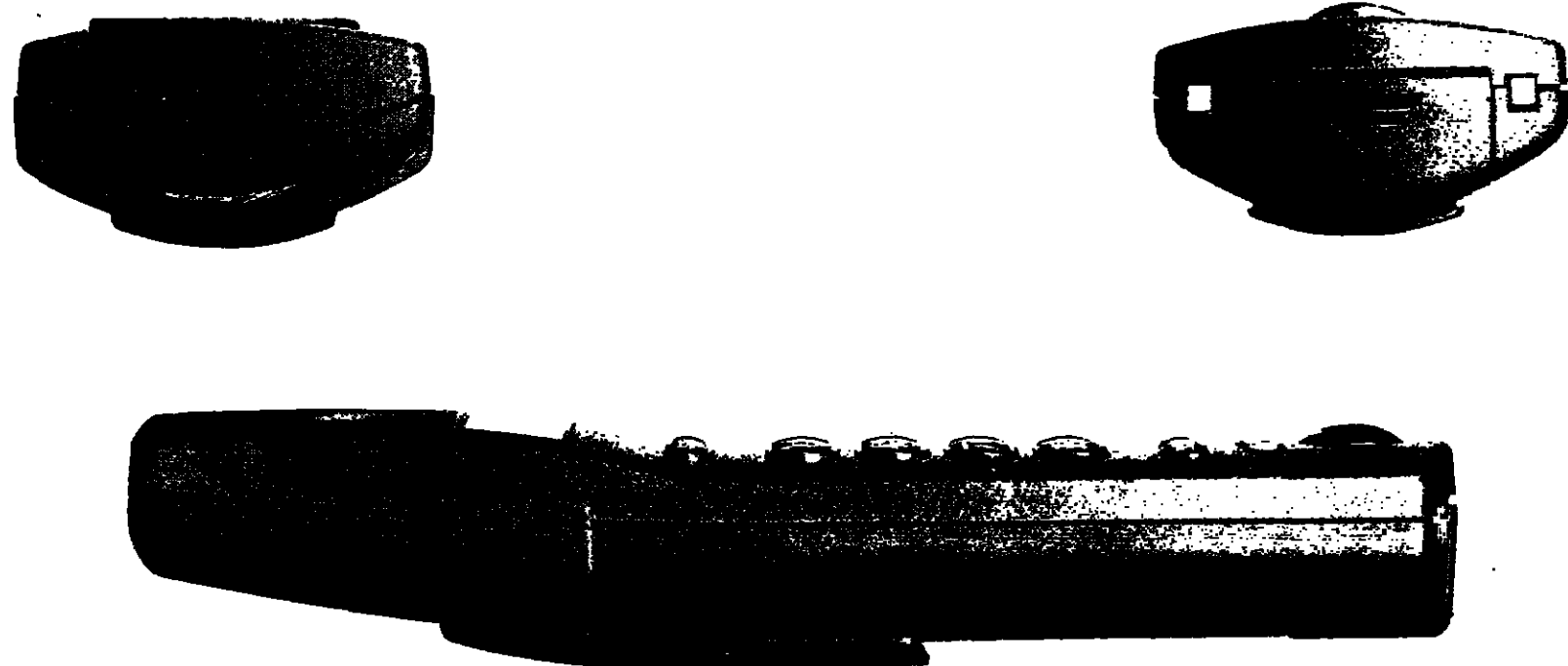
Paddy Ashdown: Found real enthusiasm for 'Yes' vote

with, said he was concerned by the lack of clarity in the White Paper on plans to transfer power from Westminster to an elected Welsh Assembly.

Although broadly in favour of devolution, he was concerned at the possible impact on universities like Aberystwyth, Lampeter and Bangor.

In an article in the *Times Higher Education Supplement*, he questioned whether a Cardiff-based assembly would sustain funding for its universities in rural areas for the sake of their local economies.

Many questions about the provision of funding for Higher Education after a "Yes" vote had been left unanswered. Current government proposals were likely to encourage students to study closer to home, which could have a devastating effect on many Welsh colleges and universities.



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Royal Opera raise curtain on new empire

Amanda Kelly

The Royal Opera were taking part in final rehearsals yesterday before the opening of the new season and their first performance since becoming homeless in July.

The company will be performing a new production of Handel's *Giulio Cesare* at the Barbican as part of its new life on the road following the closure of the Royal Opera House, Covent Garden, for renovation.

It will also be the first time the Barbican has opened its doors since undergoing a £1.9m modernisation project to give it two new orchestra pits and a sprung floor.

A Royal Opera spokeswoman, Helen Anderson, said: "This will be a double first for everyone involved and we are looking forward to the occasion greatly."

"It's been very good for the company to work in a more intimate theatre after 50 years in the vast Covent Garden building. It gives us the chance to try things which would simply be too small to put on at the Royal Opera House."

The company will spend the next two years performing in different London theatres and on tour until the Royal Opera House re-opens in December 1999 following its £200m face-lift.

Roman robe: Ann Murray rehearses the title-role in Handel's *Giulio Cesare*, the first Royal Opera production at the Barbican Centre, in London

Photograph: Nicola Kurtz

Orchestra struggles to fill Solti's shoes

Clare Garner

The death of Sir Georg Solti has thrown the orchestral world into disarray. Not only has the legendary 84-year-old Hungarian conductor's passing resulted in some short-term logistical nightmares, but it has, in the longer term, left a vacuum which may not be filled for generations.

Whilst Sir Colin Davis has agreed to step in at the eleventh hour, to conduct Verdi's *Requiem* at the Proms tonight, the London Philharmonic Orchestra (LPO) has not yet found a stand-in for later this month when Sir Georg was due to conduct Beethoven's Ninth Symphony at its opening night at the Royal Festival Hall on 24 September.

The latter has been turned into a tribute in honour of Sir Georg with a pre-concert discussion on his life and work in the auditorium hosted by his wife, Valerie Pitts. Although celebrated conductors would jump



Solti: LPO concert in his memory has no conductor

at the chance to conduct on such an historic occasion - Sir Georg first conducted in England when making records with the LPO and was the orchestra's principal conductor between 1979 and 1983 - they are

committed to conducting other concerts.

"We've got not a lot of time and we still haven't been able to name a conductor," said a spokeswoman for the LPO.

The world-wide search goes on. Obviously one wants one of the high-profile conductors and they are all terribly, terribly busy and booked up years ahead."

Looking ahead, the question is: "Who will replace the grand maestro?" In many ways, Sir Georg, who was nicknamed "the Screaming Skull" on account of his volatility in rehearsals, is irreplaceable. As Bill Holland, divisional director of Polygram classics, which owns Decca, Sir Georg's record label, put it: "His stature is so unique. He was the last of a particular breed. Along with Bernstein and Karajan, Solti was the last of the titans."

Mr Holland compared the problem of replacing Sir Georg with that of replacing the three tenors. "If you look a look around for the next three

tenors, you'd really have quite a job," he said.

In his view, talent to the tune of Sir Georg will not emerge until the generation after next. He tipped the German conductor Christian Thielemann, 37, and the Russian Valery Gergiev, 44, two relative youngsters, as the most likely figures to one day fill Sir Georg's shoes. These two, he said, possess that elusive, charismatic "star appeal", and could, in time, turn into "living legends".

"If you're trying to act as a conduit between the music and the public, you're the person who reads the page and interprets it," Mr Holland said. "No matter how good or how musical your mind might be, unless you can really communicate the intentions of the composer to the listener there's something missing. All the really great conductors could make the music come alive in a very distinctive way - and Solti was one of them."

Publisher of 'vile and evil' race hate magazine is sent to jail

The publisher of a "vile and evil" race hate magazine responsible for a terrifying campaign against Frank Bruno's mother, was jailed for 21 months yesterday.

Mark Atkinson, 31, a leading member of the far-right Combat 18 group, was caught "red-handed" with hundreds of copies of *Stormer* just before they were dispatched to subscribers across Britain. Another issue of the 12-page production, which preaches violence and death towards Jews, blacks, left-wingers, and anyone else who dares disagree with its views, was found on a computer disk.

Judge George Bathurst-Norman told Southwark Crown Court that in 37 years in the le-

gal profession he had "never encountered such vile outpourings of hatred and incitement to violence as revealed in these magazines. From reading them Combat 18's purpose is clearly aimed at stirring up racial hatred and violence not only against racial, ethnic and religious minorities and their supporters within our society but also targeting and naming specific individuals within those sections."

He told Atkinson: "I have to say to you and any others like you that those who seek to spread such evil discord in our midst can expect no mercy from the courts."

One of his victims had been Lynette Bruno, the 67-year-old mother of the former world

heavyweight boxing champion.

"In disclosing her name and address and stirring up racial hatred against her, Mrs Bruno... is driven from her home," the judge said. Neither did he have any doubt that by listing their names and addresses in *Stormer*, a number of Jewish organisations and synagogues were targeted with hate mail.

The judge then condemned the way Combat 18 and their £1.50 a time magazine had turned their attentions to the Liberal Democrat leader, Paddy Ashdown. "When a politician speaks out against racism in his local community you target him in one issue and then you celebrate the fire-bombing of his car in the next. You give his

name and address and invite his murder with the words 'he doesn't deserve to live'."

The judge said Parliament had fixed the maximum penalty for publishing material of this type at just two years.

"It may be that Parliament should look again at the activities of people such as you and others like you who are minded to indulge in such activities and reconsider whether the present maximum sentence is sufficient. In my view it is not."

On Wednesday, Robin Gray, 35, a former National Front by-election candidate who lived with Atkinson, was convicted of possessing *Stormer* with a view to distributing it. Sentence was adjourned for reports.

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Confusion reigns as Clark turns TV eye on Tory party

Anthony Bevins
Political Editor

Today's Conservative Party is suffering from "considerable confusion", Alan Clark, the Tory MP and historian, said yesterday. The first episode of BBC2's four-part *Alan Clark's History of the Tory Party* will be shown on Sunday. It tells the story of the pre-war years, from the creation of the modern party in 1923 through to the start of the Second World War in 1939.

Mr Clark's analysis is typically pungent. He argues that Baldwin turned the abdication crisis into a golden opportunity to dispose of a troublesome king; he criticises a Foreign Office mandarin for spurning a Nazi offer to sue for peace on the eve of war; and he compares the task of leading the Tories to "driving pigs to market".

After a preview of the first episode, *Gentlemen Players*, Mr

Clark said yesterday: "There is no doubt that the Tory party at the present time is in a state of considerable confusion."

He was unable to give William Hague a historical rating as Conservative leader, because it was too early, but he then added: "I didn't vote for him, as you well know." Asked whether it was not the leader's job to resolve confusion, Mr Clark said: "You may think that, but I could not possibly comment."

In the programme, delivered with all the laudible charm that Mr Clark brought to his best-selling *Diaries*, he says that the 1936 abdication was a heaven-sent opportunity to get rid of Edward VIII that was grabbed by the Conservatives and the British Establishment.

"For Baldwin, as for the rest of the British Establishment," he says, "Mrs Simpson was an opportunity disguised as a cri-



Gentleman player: Alan Clark at yesterday's preview. Asked about the party leader's role, he replied: 'You may think that, but I could not possibly comment' Photograph: David Rose

sis. For the last 10 years they had been racking their brains concerning what should be done about the Prince of Wales. "He was selfish, erratic, impatient of protocol and prone to left-wing enthusiasms. The

abdication was the last great Establishment coup dressed up as high-mindedness. If Baldwin had really wanted, he could have kept Edward on the throne."

Mr Clark said yesterday: "The Tory party connived at this

concept that the monarchy is disposable - because they regarded Edward VIII as a bloody nuisance." But he suggested that the breach of the hereditary principle perpetrated in 1936 was being repeated with

the curious endorsement of the current monarch, with her acceptance of Labour plans for reform of the House of Lords.

Mr Clark says that Hitler and the pre-war Tories had much in common: both being "brutal

and anti-Semitic". He was also critical of Sir Frank Roberts, a Foreign Office official who did not even pass on to ministers a Nazi approach to avert war.

Mr Clark said yesterday that at that juncture, in 1939, it was

madness to declare war on Germany. "To put an army into Europe against the *Wehrmacht* was just suicide; it was mad." The war had only been won because of a totally unpredictable chain of events, he said.

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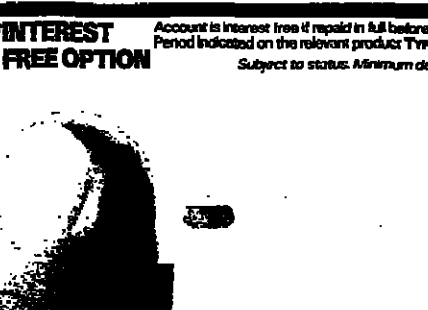
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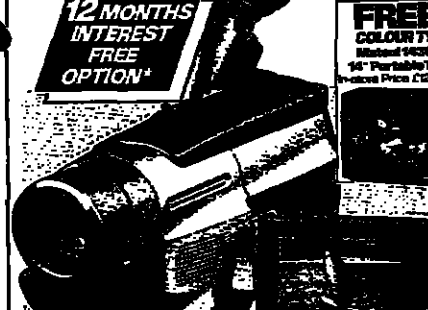


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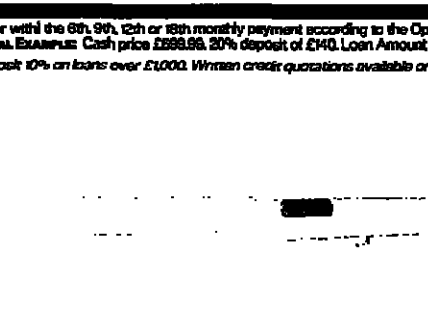
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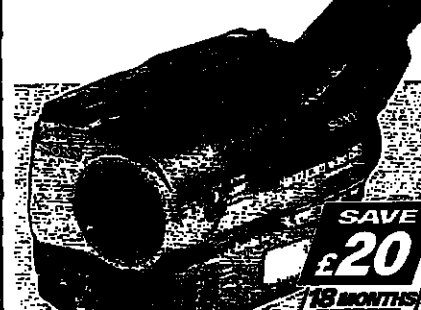


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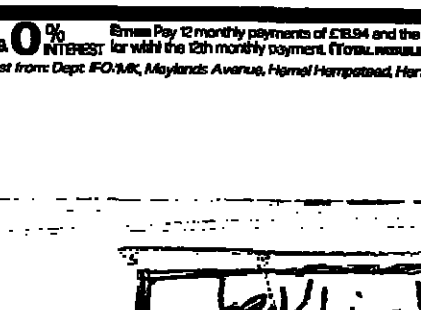
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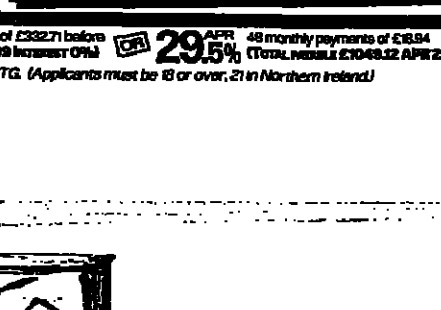
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Bodies on rail lines left in full view

Barrie Clement
Labour Editor

Railtrack was accused of callousness after a horrified train driver was forced to take his express past a mutilated body.

The driver has since suffered trauma and yesterday his trade union said it would take its protest to John Prescott, Deputy Prime Minister, with special responsibility for transport.

Law Adams, general secretary of the train drivers' union Aslef, told the delegates at the TUC Congress in Brighton that he would be renewing his demand for a thorough review of procedures during such incidents. He said his members had experienced two similar cases recently where they had been told to pass over bodies.

The most recent and most horrific incident happened on 13 August when the Euston-to-London express was ordered to proceed through Harrow and Wealdstone station after an earlier train had struck someone who jumped off the platform.

Mr Adams said: "Approaching the end of the platform, our driver saw that most of the person's body was still on the track and the platform, not even covered up. There was one limb on the platform."

"It is frankly just too revolting to go into all the details of what was seen by the passengers and crew on the train. It is no way to treat the travelling public, train drivers or other railway employees."

Mr Adams said that the express had been halted for some time at a signal outside the

station and that there had been ample time for the body to be covered up. "Initially our driver was told to pass over the incident with extreme caution, but then a Railtrack official instructed him to hurry up and get past the scene as quickly as possible."

"They allowed no dignity whatsoever to the poor soul who had been killed. They showed no regard for the trauma they were causing to everyone who saw these appalling sights. The whole incident was an absolute disgrace."

The union contends that the drive for profits in the privatised rail industry has led to greater pressure on drivers to pass over bodies. Where there are delays financial penalties have to be paid either by Railtrack or the train operating company, depending on which was responsible for the delay.

Mr Adams said the union would be demanding changes to the industry's rule book which would stop railway workers and customers from seeing such "offensive gruesome scenes". He said trains should be halted until the incident had been properly dealt with.

Current procedures were "inhuman and obscene", he said, and it was dangerous to subject people to such experiences.

Replying to Mr Adams' criticisms, a Railtrack spokesman said: "We are reviewing how to handle these situations. We have to strike a balance between respect for the deceased and the fact that trains loaded with people are stuck on the line. We are not unfeling."

DAILY POEM

The Reader

By Rainer Maria Rilke
(translated by Stephen Cohn)

Who knows this stranger who has turned his face away from life to live another life - which nothing interrupts except the swift and forceful turning of each printed page?

Even a mother might not recognise her son, lost in the world that lies below him, steeped in his own shadow. What can we know - who live our lives so governed by mere hours -

of other lives he may have lived and lost before he looks up, heavy now and burdened with all the matter which his book contains? As children rise from play and look around his eyes now turn to all that lies outside towards the world again made manifest: but yet his face, for all its discipline, will never while he lives change back again.

"The Reader" completes our selection from Stephen Cohn's translation of Rainer Maria Rilke's *New Poems*, which first appeared in German in 1907-08. *New Poems* is published by Carcanet (£9.95) in a bilingual edition, with an introduction by John Bayley.

مكتبة من الكتب

es on lines in view



One phrase which will not be on anyone's lips in 1997 is "iron rice bowl", the former cradle-to-grave guarantee of social welfare. That one has gone right out of fashion.

This congress's second linguistic contribution pledges the country to "hold high the great banner of Deng Xiaoping's the-

ory of building socialism with Chinese characteristics". This is Sino-speak for China sticking to the reform and opening policies Mr Deng launched in 1978. The expression "socialism with Chinese characteristics" was coined at the 1992 party congress, to

One phrase which will not be on anyone's lips in 1997 is "iron rice bowl", the former cradle-to-grave guarantee of social welfare. That one has gone right out of fashion.

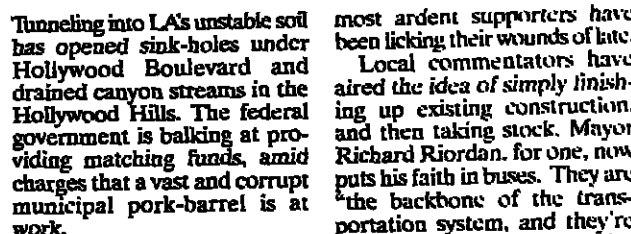
Stressists say there are just too many people who need to find proper jobs, and that many big loss-makers are running the country, where almost no work is not available. The government is very worried, because disgruntled workers are increasingly letting their feelings be known. The past two years have seen a growing number of strikes and riots by people who have lost their jobs or have not received salaries. In Sichuan province earlier this year, 20,000 unpaid textile workers staged a demonstration in Nanchong, one of the largest displays of anger so far.

LA subway project heads for the buffers



Tim Cornwell
Los Angeles

But several years into construction, the project seems in danger of becoming a sick joke.



Two construction workers died this year, as work contin-

A major complaint against the subway is that it has swallowed available funds for LA's under-serviced bus system.

When the freeways cracked in the 1994 earthquake, it was blandly predicted that commuting Angelinos would finally see the virtue of commuter rail. On the contrary, the roads were repaired with astonishing speed, and life rapidly returned to normal.

In the real world, a red light would go on somewhere, but this is not the real world, this is politics," said Peter Gordon, a professor of urban planning

at the University of Southern California. "It has to stop somewhere. It has to crash under its own weight."

Los Angeles was once famously described as 100 suburbs in search of a city. The subway is read as yet another attempt to give Los Angeles a beating heart, to satisfy Tinseltown's

At Pershing Square, there are six sets of grand grey double staircases, virtually untrodden.

The political tide, however, is running in a revolutionary direction. There are rumblings of revolt from the San Fernando Valley, LA's north-western suburb, which would like to secede, and demands for the break-up of the Los Angeles Unified School District. Los Angeles' public schools system. Few public officials are openly calling for the subway to be abandoned, but its

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CENTRE —

New right takes a grip on Norway

Imre Karacs

There is a distinct Eighties feeling about Oslo, down to an imitation Docklands near the centre, thronged by cardboard cut-out yuppies on mountain bikes. The buildings are brand new and tall, matching the prices in the chic boutiques inside.

It is boomtime in Norway, and Norwegians are trying hard to live up to, and show off, their wealth. But as old-fashioned egalitari-

"We do not have to behave as if we were the poorest country in Europe when it comes to necessary services for our citi-

In next Monday's general elections, an unprecedented proportion of Norwegians are expected to cast their votes for a party promoting a ban on "immigrants."

a party trumpeting a brand of nationalism not unlike that of Jean-Marie Le Pen. The misnamed Progress Party, which astonished everybody four years

The poorest they are certainly not. Norway is awash with oil money, and the country has been running a budget surplus for future pensioners."

cent, still enough to make it the second-biggest party after Labour in the next parliament, and a possible building block in

for a party once derided as a one-man show, the fan club of the remarkable Carl I Hagen.

Mr Hagen is a 54-year old libertarian, a gifted speaker who for 20 years has been no more than a fringe source of amuse-

Law and order, he once suggested, could be secured by packing criminals off to the bar-

His favourite whipping boys these days are people who do not speak proper Norwegian.

These include the Sami (Lapp) minority, who, Mr Hagen argued during the campaign, should not be taught their own

Although there are very few foreigners indeed in Norway, Mr

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

1

Palestinians need a break, says Albright

Patrick Cockburn
Ramallah

The US Secretary of State Madeleine Albright called on Israel yesterday to take a "time-out" from settlement activity and other unilateral actions that have angered Palestinians.

"Israel should refrain from unilateral acts including what Palestinians perceive as the provocative expansion of settlements, land confiscation, home demolitions, and confiscation of IDs," she told Israeli high school students.

"We believe that a time-out from these kind of unilateral actions will create a climate in which an accelerated approach can succeed in achieving a final Israeli-Palestinian peace agreement," Mrs Albright said in comments certain to anger Israel's right-wing government.

Earlier, Palestinians listened with disappointment to the total priority given by Mrs Albright to Israeli security in her three-hour talks with Yasser Arafat, the Palestinian leader.

"We have got agreement that terrorists are terrible, but not yet on the best way to get the peace process back on track," Mrs Albright said at a joint press conference with Mr Arafat. Sabir Erekat, the chief Palestinian negotiator, said: "The gap between us and the Israeli government is as wide as ever."

The duet from Mrs Albright and Benjamin Netanyahu, the Israeli prime minister, about dealing with "terrorism" – and regarding the expansion of Israeli settlements and demolition of Palestinian houses on the West Bank as peripheral – was interrupted by Leah Rabin, the widow of Yitzhak Rabin, the Israeli prime minister assassinated in 1995.

"I have doubts about how much terrorism can be uprooted," she told Israeli radio before seeing Mrs Albright. "We were also terrorists once and they didn't uproot us and we went on dealing in terrorist activities. Despite all the efforts of the British army in the land we went on with terrorism."



Yasser Arafat: stalemate over the peace process

Mrs Rabin was referring primarily to the campaign of the Ingur, led by Menachem Begin, which waged guerrilla war against British forces in Palestine in the 1940s. Mr Begin later became prime minister of Israel and leader of the Likud party which is now headed by Mr Netanyahu. Asked if the latter wanted peace Mrs Rabin said: "Allow me to express doubt. He does everything against it."

One concession to Palestinian grievances came over the issue of \$66 million tax revenues collected by Israel for the Palestinian Authority and withheld since the suicide bombing in Jerusalem on 30 July. Mrs Albright said it was "beyond her understanding how withholding money was a security issue". Mr Netanyahu said he was waiting to see action by Mr Arafat before handing over the money.

Most of the Palestinian demands concern Israel implementing the Interim Agreement signed in 1995 under which it pledged to end the occupation of most of the West Bank. They also want an end to the present closure of Palestinian towns and villages isolated by Israeli checkpoints. Israel wants a round-up of activists in Hamas, the Islamic militant organisation, by Mr Arafat.

The Likud party has reacted angrily to reports that President Ezer Weizman told Mrs Albright "to knock heads together" and to ask Mr Netanyahu to implement the Interim Agreement. Although officials say

the president was quoted out of context, Likud is threatening to run a candidate against him in the next presidential election.

Just why the Palestinian leader would find it difficult to start mass arrests of Hamas was best explained by the presidential troops guarding the gate. "Albright only talks about Israeli security, but each one of us has a brother in an Israeli jail," said Imad, pointing to a scar on his head made by an M-16 round in the fighting in Ramallah last September.

Jamil, another member of the presidential guard, said he found Mrs Albright's visit humiliating and, in the long term, he expected more fighting.



Talking terrorism: Benjamin Netanyahu and Madeleine Albright, wearing a gold peace dove brooch given to her by Yitzhak Rabin's widow Leah, after their meeting yesterday in which the US Secretary of State said Israeli security was paramount. Photograph: Jim Hollander / Reuters

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significant shorts

Germany set to release last Communist leader

A German court ruled yesterday that Egon Krenz, the last hardline communist leader in East Germany, could be released from jail pending an appeal against a conviction for manslaughter.

Krenz was found guilty last month in connection with the deaths of refugees killed during Communist rule as they tried to flee over the Berlin Wall. He was jailed, although the verdict was not yet legally binding, because authorities feared he would flee. But his lawyers argued during yesterday's hearing that Krenz, 60, had never failed to appear during his 18-month trial, proving that there was no reason to suppose he would attempt to leave the country or go into hiding at this stage. Reuters – Berlin

Kenyan reforms agreed

Opposition and ruling party legislators in Kenya agreed on a series of crucial legal and constitutional reforms that could ease tensions ahead of elections this year.

Some opposition legislators, however, condemned their negotiations as a public relations exercise by the ruling Kenya African National Union (Kanu), and an attempt by President Daniel arap Moi to weaken a pro-democracy movement. The 36 opposition and 38 Kanu legislators agreed to amend or repeal, within a month, 12 colonial-era laws that reformists say give Moi, 74, a competitive edge in seeking his fifth five-year term. AP – Nairobi

US takes anti-mine stance

The United States said it was committed to multi-national talks to set up a global treaty to ban anti-personnel landmines, even though it may not sign the formal anti-mine treaty in Ottawa in December. The US is among 120 countries participating in a 19-day conference in Oslo to hammer out a draft treaty to ban the use, production, sale and stocks of landmines. Reuters – Oslo

Afghanistan truce appeal

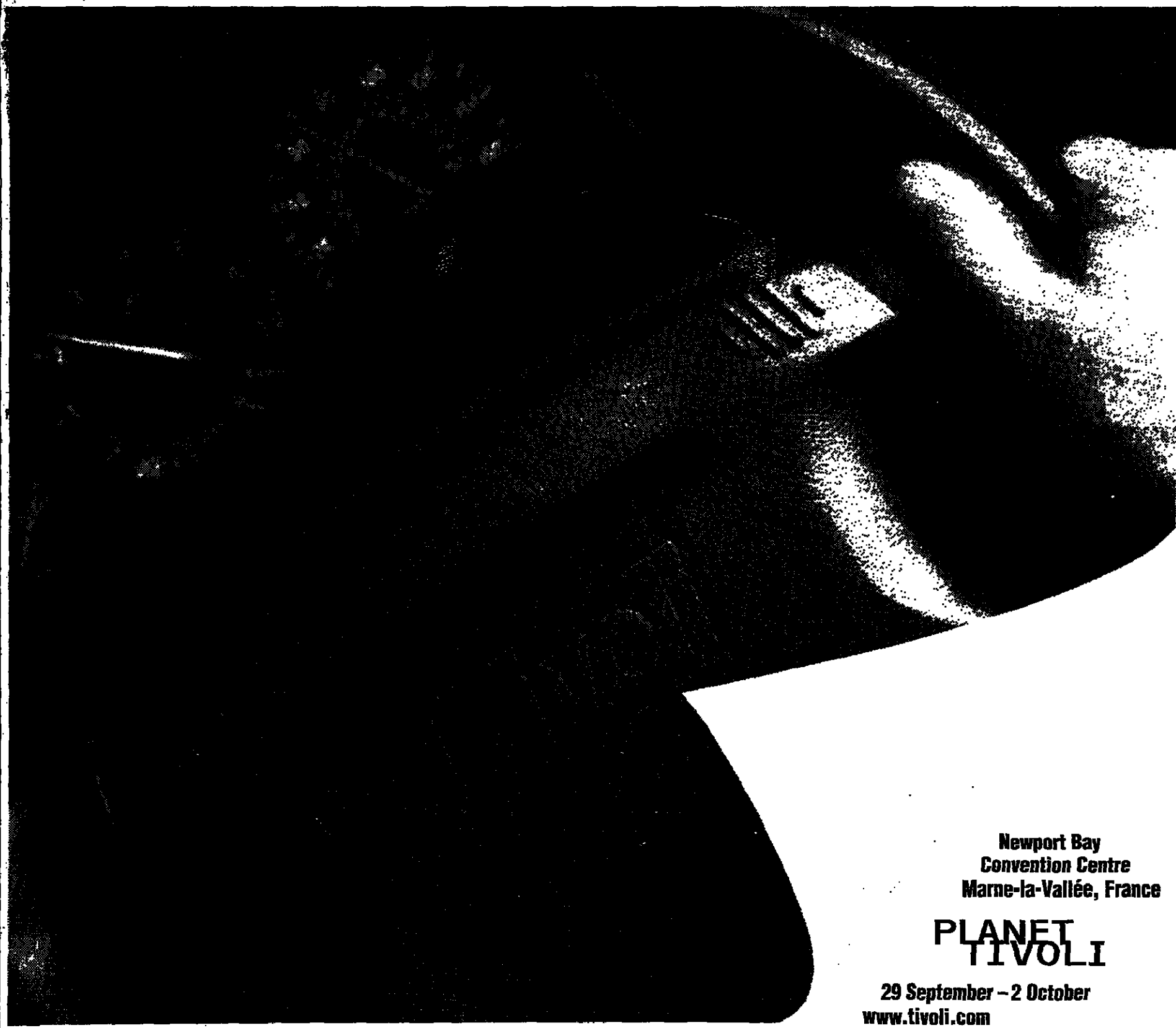
The United Nations renewed an appeal for a truce in Afghanistan as rivals fought for control of the northern opposition capital of Mazar-i-Sharif for a third day. Jets from both sides made bombing runs, and opposition forces fired at least five rockets at Kabul – without causing casualties. Reuters – Kabul

Race to arm South Africa

At least four more countries have entered a race to sell naval vessels and aircraft to South Africa, according to Ronnie Kasrils, the country's Deputy Defence Minister. He told reporters and diplomats that Canada, Brazil, Sweden and Italy had joined Britain, Germany, France and Spain in bidding for contracts. Reuters – Cape Town

UN soldiers' Angola disgrace

Ten Dutch United Nations peace-keepers accused of sexual misconduct, drug smuggling and drunkenness in sexual Angola have been stripped of their medals, the Defence Ministry announced. The decision was prompted by last week's revelation that four Dutch soldiers had been involved, since 1991, in sexual relationships with local women, some possibly underage, while serving as part of a UN peace-keeping mission. AP – The Hague



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Jospin says au revoir to Emu depression

John Lichfield
Paris

What a difference three months makes. The French economy, which appeared to be sinking into crisis in early summer, with no chance of meeting the Maastricht guidelines, is enjoying a near-miraculous recovery.

Officially, the French government says that it should have no difficulty in approaching the Emu-dictated budget deficit ceiling of 3 per cent of gross domestic product (GDP) this year. Unofficially, it is estimated that the deficit - reported to be out of control in June - may even sink by the year's end to 2.9 or 2.8 per cent.

The shift in the French economic outlook leaves only one, large, outstanding Emu quarrel between Bonn and Paris which could disturb the final decisions on the single currency due early next year. The Socialist-led government of Lionel Jospin is still officially committed to Italian, Spanish and Portuguese membership as a pre-condition for French membership. Germany remains extremely doubtful on this, and about admitting Italy in particular.

But senior French government sources say that they can now imagine some form of compromise: perhaps an agreement



Optimistic: Lionel Jospin, the French Prime Minister

that countries which fail to meet Maastricht targets this year could still join by the 1999 starting date, or just afterwards, so long as they continue to bring their public finances under control.

Mr Jospin's government is reaping the benefit of the sudden change of economic weather in France and is even beginning to claim some of the credit. A package of emergency spending cuts and tax rises imposed in July did help to close the deficit gap. But Mr Jospin has also had two strokes of unexpectedly good luck.

The rise in sterling, the dollar and some southern European currencies has boosted French exports and tourism receipts to stratospheric levels. Domestic

demand has finally started to pick up. As a result, economic growth, which has been stuttering at around 1.5 per cent for seven years, is expected to rise to 2.4 per cent this year and to more than 3 per cent in 1998.

There has also been a marked shift in the public mood, from excessive pessimism to cautious optimism. Whether this is the cause, or the effect, of the increase in growth is impossible to say. Philippe Manière, in the magazine *Le Point*, describes it as a "mystery of the collective [French] psyche". Abruptly, people are beginning to spend more money in restaurants and shops; there is also an upturn in investment by industry.

All is not plain sailing. Everyone recognises that it will take months before the increased growth begins to eat into the high level of unemployment (12.4 per cent). The US dollar and sterling have started to slide against the franc again, which might slow the French recovery.

But, for the time being, the four apparently monumental conditions for French membership of Economic and Monetary Union, which the Socialists set during the election, have shrunk to manageable proportions. The likely exchange rate between the dollar and the euro should no longer pose a problem for Paris;

there is no need for further cuts in public spending; Germany has agreed to a summit on unemployment and a form of words on political management of the euro zone; and some compromise may be possible on Italy.

The one person who is doubtless looking at all this in bemusement, and with some bitterness, is President Jacques Chirac. He was persuaded to call an early election partly because he was told that economic conditions, and the budget deficit, were going to get worse, before they took a turn for the better. If he had waited until next spring, his centre-right coalition might have held on to its majority in the national assembly.

■ Paris (Reuters) — Greenpeace yesterday started legal action against Cogema, the French state nuclear reprocessing company, accusing it of dumping nuclear waste into the Channel during operations to clean up a clogged discharge pipe. The environmental group said it had lodged a complaint saying that Cogema's La Hague plant had harmed marine life, and it alleged that some 50kg of waste had spewed into the sea during work on the 5km pipe. Cogema insisted that other Greenpeace measurements taken earlier this year were invalid because samples were taken too close to the pipe.



Puffing strings: President Jacques Chirac (left) and an aide attach the ribbon of the Commander of the Legion d'Honneur on the French violinist Stéphane Grappelli during a ceremony at the Elysée Palace yesterday. Photograph: Reuters

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US warplanes to jam Bosnian Serb broadcasts

Steve Crawshaw

Washington announced yesterday that it was sending three electronic warfare aircraft to Bosnia which can jam Serb radio and television broadcasts. The planes can also broadcast their own programmes, to counter the message of hardline Bosnian Serbs.

The don't-mess-with-us approach is intended above all to prevent supporters of Radovan Karadzic from sabotaging the Dayton peace accords.

A Pentagon spokesman said that the aircraft were being deployed "in response to the persistent pattern of vehement rhetoric and incitement to violence being broadcast by Serb radio and television".

The Americans are unhappy that supporters of Mr Karadzic, wanted at The Hague as a war criminal, have failed to keep an agreement to soften their attacks on the Bosnian Serb president, Biljana Plavcic. Ms Plavcic's own track record is less than rosy, but she now backs the Dayton peace agreement, and is therefore backed by Nato.

Control of the media has been a crucial issue since the beginning of the Balkan wars six years ago. Inflammatory television propaganda at that time stoked the aggression and fears of communities who had until then lived peacefully together.

The supporters of Mr Karadzic have remained defiant, even after the Dayton accords were signed two years ago. Earlier this week, they called for a boycott of elections to be held this weekend, though they later withdrew that call. On Monday, British and US troops in Bosnia prevented supporters of Mr Karadzic from gathering in the town of Banja Luka, to the fury of the pro-Karadzic Serbs, who called for their supporters to go to Banja Luka "to liberate their leaders".

Momilo Krajisnik, one of Mr Karadzic's senior aides, had to surrender his bodyguards to Nato protection and himself flee Banja Luka under a hail of stones from Karadzic opponents.

The EC-130 planes, each manned by a crew of 11, are leaving their base in Harrisburg, Pennsylvania in the next two days, in order for the Special Forces planes to fly out from Brindisi over Bosnia during the elections at the weekend. They come under the category of "psychological operations", or "Psyops".

The municipal elections are seen as crucial in the process of trying to rebuild Bosnia. They will be supervised by the Organisation for Security and Co-operation in Europe. At least one international monitor will be stationed at each of the 2,200 polling stations during the vote, and will spend Saturday night there. The elections will then be certified as free and fair until the new local governments are installed.

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The hidden dangers of China's capitalist road

The Chinese leader Deng Xiaoping famously declared: "To get rich is glorious." Since then, millions of Chinese have taken him at his word. Rolls-Royces, luxurious villas, mobile phones. From the mega-rich to the merely affluent, China is full of signs that capitalism is not – to put it mildly – officially perceived as the incarnation of all evil that it used to be.

The entrepreneur is king in China today. Many years ago, Deng (an occasional master of the soundbite) declared in defence of quasi-capitalist practices: "It does not matter if the cat is black or white, as long as it catches mice." That is truer than ever in Peking today: as long as the economy is booming, don't ask any tricky questions about the how and why. Bizarrely, however, Chinese officialdom insists that the cat (black or white) should be classified as a dog.

What seems on the face of it to be a partly capitalist economy is claimed not to be capitalist at all. It is merely a socialist economy "with Chinese characteristics". This is one of a series of unusual classifications that Communists have indulged in over the years. "War is Peace. Freedom is Slavery. Ignorance is Strength." George Orwell imagined it. The Chinese Communist Party continues to make it real. In the Soviet Union in the Brezhnev era, all problems were due to the fact that Communism had not yet arrived. A version

of "developed socialism" was all that the country had achieved so far. As our Peking correspondent notes on page 11, similar semantic games have repeatedly been played in China. If anything remains imperfect in China today, this is merely because China is still in the throes of "the primary stage of socialism" (which may last for another 100 years or so), rather than the utopian Communism that will come along in due course. If there seems to be a slight contradiction between the go-getting excitement about money-making, on the one hand, and the declared belief in Communism, on the other, this can quickly be resolved by reference to "socialism with Chinese characteristics".

But all the semantic curiosities fail to mask the very real difficulties that the Chinese regime still faces. Indeed, the use of such Orwellian phrases emphasises the contradictions and tensions that remain – between a partly liberal economy, on the one hand, and distinctly unliberal politics, on the other.

In many respects, China today is a freely entrepreneurial society. The Chinese are allowed, even encouraged, to go out and enrich themselves. Where the Soviet Union remained wary to the very last of successful business people, China has embraced both foreign and Chinese tycoons as potential saviours.

But the Communist Party remains a power in the land, alongside the entre-

preneurs. Often, indeed, it controls them. It sometimes seems that this is a workable partnership. The experience of the years since the massacre in Tiananmen Square in 1989 shows that there need be no contradiction between political repression on the one hand, and economic boom on the other. China's economy has performed far better than many much more liberal regimes elsewhere in the world. Growth has affected not just the very rich, but has also raised the average standard of living for those at the bottom of the heap.

Given such success, and the apparent

strength of the party itself, there seems to be no obvious reason why one-party rule should ever come to an end. After all, as we are seeing again this week, the Communist Party is perfectly able to reinvent itself, and its dogmas. The economy has already moved from Marxism-Leninism to Marxism-Leninism-Maoism, and to Marxism-Leninism-Maoism-Dengism. It could become one of the great political congas of all time, with yet more names being added to the wriggling line every few years, and each name in the pantheon merely interpreting the same fundamental truths for their generation.

Communist Party leaders have made it clear that they see no reason why the political fundamentals of the system should change. They still want to be able to lock up anybody who says the wrong thing – whatever that happens to be on any given day. Quite apart from the strength of the economy, there are other reasons why this may seem unlikely to change. China has long lived with a lack of democracy. Even now, there is little obvious pressure for radical change. People in the cities and countryside alike are more interested in talking about how to make money than talking about politics – even behind closed doors. If the economy continues to grow, China may be eager to demonstrate its national political and military muscle on the regional stage, which would also help to ensure unity at home.

The pressures of Tiananmen Square are, however, not forgotten. Even officials say that if the subject were stirred up, it would still be explosive. More immediately relevant is that it seems impossible that all economic change – including the wide-ranging privatisation of industry that is being proposed at this week's Communist Party Congress – can take place without pain. Charming, the official line insists that this is not really privatisation at all (that would be "simple-minded"). But privatisation by any other name is just as painful. Job losses tend to be accom-

panied by dissatisfaction with the political masters who have imposed the pain. Such dissatisfaction is difficult for the authorities to ride out, if they do not have the political legitimacy that comes with electoral consent. Sporadic strikes in China could easily grow. All of which means that Communist power is not necessarily eternal. Unthinkable though it now seems, the conga may eventually end. And then, many things will be called by their real names.

Welcome to the tolerant society

A minister of the Crown comes out as a lesbian, and scarcely a head turns. But "Nation Mildly Intrigued" is good news. Last week the pukka commentary on Diana's funeral referred in passing to Elton John's partner as he arrived at the Abbey. As Angela Eagle rightly observed, attitudes have changed – certainly since the hostility stirred by Maureen Colquhoun, the first "out" lesbian MP in the Seventies. For us, the story is as much the reality of acceptance as the coming-out itself – interesting though it naturally is when we learn something we didn't know about a public figure. Another small step towards a modern, tolerant society.

LETTERS TO THE EDITOR

Worries south of the border as Scots vote

Sir: The current focus on the Scottish and Welsh devolution debates highlights the ambivalent feelings many of us in the North have towards our "Englishness".

From the times of the initial Anglo-Saxon settlements, through the Danelaw and onwards, the people of northern England have often had more in common with the Scots than with their southern compatriots. More important than historical variations of dialect, place-names and so on, are the profound differences in the type of society we wish to live in.

As in Scotland, throughout the 1980s people here overwhelmingly rejected the selfish, individualist ethos of Thatcherism. The political colour map clearly showed the very different concerns of these two, separate Britains. Trades unionism and friendly societies are hardly the natural bedfellows of "Essex man". Many of us will be hoping our turn will come.

STAFFORD HIGGINBOTTOM
School of Biological Sciences
Manchester University

Sir: To assert, as David Walker does ("Why the Scots need the English", 9 September) that "everything to do with being Scottish is about not being English" is a gross exaggeration.

Scots do not nowadays "keep singing about butts and buns and glens", at least not as often as Mr Walker seems to think.

Many Scots have sought careers in England, but not by any means all of those mentioned by Mr Walker have done so, and it is questionable whether those that did would have said that they had "had to make it in London". David Hume did indeed visit London on several occasions but said that "the little Company, there, that is worth conversing with, are cold and unsociable or are warmed only by Faction and Cabal", and that "that nation are rejecting fast into the deepest Stupidity, Christianity and Ignorance". But in Paris, "a man in the distinguishing himself in Letters, meets immediately with Regard and Attention".

Robert Louis Stevenson did not like late Calvinist Edinburgh, but spent more time in France, America and Samoa than in London.

James Boswell did eventually attempt, unsuccessfully, to make a living at the English Bar. However, his encounters with Dr Johnson occurred during visits to London while he was practising at the Scottish Bar.

Harry Lauder's songs contained a good deal of tartan sentimentality, but neither of him nor of Lewis Grassie Gibbon, nor of many other modern Scots writers could it reasonably be said that "blaming and hectoring the English is an old and much-loved ritual".

ROBERT L'CHUNTER
Inverurie, Grampian

Union rights for the clergy

Sir: Your attack on MSF in your leading article of 10 September is quite unfounded.

We are clearly on record as supporting both Tony Blair and John Monks on union modernisation, and indeed MSF successfully proposed just such a modernisation package to the TUC

OH, NO... IT'S THE ADAMS FAMILY!



on Monday. Our agenda for the future dovetails with the new government and the TUC by being positive about individual rights and responsibilities.

You have confused the issue of the rights of an individual to professional representation in the rapidly changing and highly stressful world of work with a claim, which your editorial invented, of MSF bargaining rights for all clergy.

We do not claim to speak for non-members of MSF. It is individual rights which are at the heart of this debate. And on this MSF, the TUC, the Government, the Archbishop and most reasonable employers are united.

I therefore unreservedly welcome Lambeth Palace's announcement of a review of their recognition arrangements for clergy.

ROGER LYONS
General Secretary
MSF
London EC1

Call of sea transport

Sir: The recent discussion about traffic has been concerned, for the most part, with the need to reduce congestion and pollution caused by road users. Improvements in internal combustion engines can reduce pollution and will also reduce energy consumption. Nevertheless they will depend for the foreseeable future on fossil fuels.

Transport by water is more efficient than all alternatives except pipeline in terms of energy consumed per tonne-kilometre:

compared with pipeline, water transport consumes about 2.5 times as much energy, rail 4 times, road 17 times and air 94 times.

In the 18th century nearly all freight was carried by water. Coastal shipping connected all major cities and estuaries; rivers and canals connected ports, inland towns, natural resources such as coal, china clay and ores, and newly developing industrial areas.

Nineteenth century railways and 20th century road transport have eliminated nearly all of this traffic. Most surviving canals have had no development for over 150 years and are now used mainly for leisure.

The cost of improving and maintaining them for commercial traffic would be very high. Nevertheless the most useful waterway survives; it is our sea, which is within 90km or so of all parts of the UK and connects with the rest of the world.

A policy for integrated transport should include a study of development of coastal freight traffic into estuaries and provision of land links with estuarial ports; these links are likely to be by railway. In the meantime, new structures that might inhibit such developments, such as low bridges across waterways and over-development of port areas, should be prevented.

DONALD McDOWELL
Chairman
Permanent International
Association of Navigation
Congresses
British National Committee
London SW1

Dire predicament of celebrities

Sir: Anne Treneman writes, in her piece (11 September) about the heat-seeking novelist Martin Amis complaining about the heat. "There are no easy answers in a celebrity-crazed world in which fame and publicity are inextricably intertwined".

I agree, but would add that it is more pertinent to fame and success which are intertwined and as long as the media are content to passively create coverage based on the relentless lobbying of expensive publicists, rather than digging for themselves for the real work being made, this lamentable "celebrity-crazed" state of affairs will continue.

Does this complaint entitle me to mention that my records can be bought direct online at www.knopfler.com?

DAVID KNOPFLER
Liss, Hampshire

Cycling through the forest

Sir: As a cyclist and a conservationist I welcome cyclists to the beautiful Forest of Dean. Not all Forest residents share the short-sighted and parochial view expressed in your article "Cyclists ride into a storm over journey to forest" (8 September).

Whereas I support the campaign for direct cycle routes between communities, I also congratulate

Forest Enterprise on the excellent work they have done to date. The cycleways help to preserve the historic railway and tramroad routes over which they are laid. They also encourage people to visit and explore the Forest and bring their children to a place where they can develop a cycling habit in comparative safety.

I hope that in time better links can be developed to the National Cycle Trail, which goes through Chepstow, thereby encouraging people to cycle to and from the Forest. I also hope that the rail companies will change their policies and allow more than two bikes per train.

Not only does the Forest economy need tourism, environmentalists throughout the Country are campaigning for more people to use bikes. Surely this is not the time to be discouraging cycling.

G SINDREY
Coleford, Gloucestershire

Sir: Randeep Ramesh reports on cyclists travelling to the Forest of Dean by car. He states that an alternative is to travel by train to Chepstow. Today I have tried to book places for four bikes on the train from Chepstow to Birmingham. South Wales and West Rail inform me that only two places for bikes can be reserved on each train. So the problem is not that "many cyclists see rail travel as old fashioned", but the absence of a service.

FRED ABBATT
Cowling, West Yorkshire

Republic without a figurehead

Sir: Based on the common misapprehension that republics need presidents, Donald Foreman and Gordon Medcalf (letters, 10 September) quote the chancellorial horrors of pre-war Germany and the presidential misfortunes of the USA as arguments against abolishing the British monarchy.

But why would a people in their right senses wish to follow flawed models rather than learning from their own experience? The first time Britain was a republic (from 1649 to 1653) we did without a head of state until Oliver Cromwell became "king in all but name" from 1653 until his death in 1658, paving the way for the subsequent restoration of monarchy.

Over 300 years later, the UK's recently elected government has begun a huge, long-overdue project of constitutional reform. As people preparing at last to assume the full mantle of citizenship, we should surely be debating, not assuming, whether there is any place for any kind of head of state in our future governance.

SPENCER HAGARD
Cambridge

William's choice

Sir: Jeffery Green (letter, 8 September) says that Prince William is "the only publicly acceptable candidate" to be our next monarch. Is there any evidence at all that the young prince would want to do his father the injury of supplanting him in such a way?

ALICE RIST
London N4

Europe must lead in Middle East

Sir: Patrick Cockburn ("Come, let us reason together", 10 September) provides a compelling reason for the European Union to dissociate itself from the US Middle East policy and to forge its own distinct path.

Oslo was built on "constructive ambiguity", predicated on mutual goodwill and the political danger of stating the end goal. Goodwill was lacking since Labour initiated the most intensive phase of settlement of the West Bank and East Jerusalem since 1967, clearly intended to foreclose the chance of Palestinian sovereignty over an integral territory, thus rendering the process meaningless for Palestinians. Hamas used violence to destroy a bankrupt process, and the US supports Israel for domestic reasons.

The EU must now decide whether to support a process that cannot lead to peace or stability, and which will profoundly damage its own Mediterranean interests, or whether to articulate a fresh approach, the outcome it seeks, and the principles of international law that must necessarily underpin that road and outcome.

Both protagonists require a coherent and viable sovereign state and both require mutual security arrangements, internationally guaranteed. That means a separation of the two communities, not as at present under circumstances of Israel's apartheid system, but territorially separate.

DAVID McDOWELL
Richmond, Surrey

When the people take power

Sir: People power is certainly not mob rule. It is what you get when a sufficient number of people feel that institutions which they thought were there to represent them and articulate their wishes are not responding, and maybe not even listening.

Like Peter Everall (letter, 10 September), I also thought we lived in a parliamentary democracy, but public interest in the role and reform of the monarchy did not spring suddenly on to the public stage for the first time at the beginning of last week: and with the honourable exception of a few MPs, Parliament's interest in the subject has been just about nil in recent years.

LEONARD BOYES
Polegate,
East Sussex

Sir: The difference between mob rule and people power is one million or more bunches of flowers.

MARGARET MACK
London W8

Victorian flag

Sir: I read in the Dictionary of National Biography that when King William IV died the servants of his widow, Queen Adelaide, naturally flew the Royal Standard at half mast at Windsor, where she was living. The new Queen, Victoria, paid an immediate dutiful visit to her mourning aunt. The servants, correctly according to protocol, prepared to raise the flag mast-high, since the reigning monarch was present in her own palace. The Queen, out of respect, forbade this and insisted on the flag remaining at half mast throughout her visit.

JOHN LIVINGSTONE
Blairitz, France

analysis

Can the Irish puzzle finally be solved?

The historic multi-party talks in Northern Ireland are set to take place next Monday. David McKittrick looks at what the divided communities of Ulster hope to achieve in these negotiations, and what they still fear

Few in Northern Ireland, after seeing the energy devoted by Tony Blair to making progress on the peace process, doubt that Labour is determined to press ahead with what could be the most important talks for decades.

The talks are to open in Belfast on Monday amid uncertainty and controversy over whether Sinn Féin should be admitted and whether the Ulster Unionists will attend. There will inevitably be much turbulence in the weeks ahead, but almost everyone expects that they will eventually get down to business.

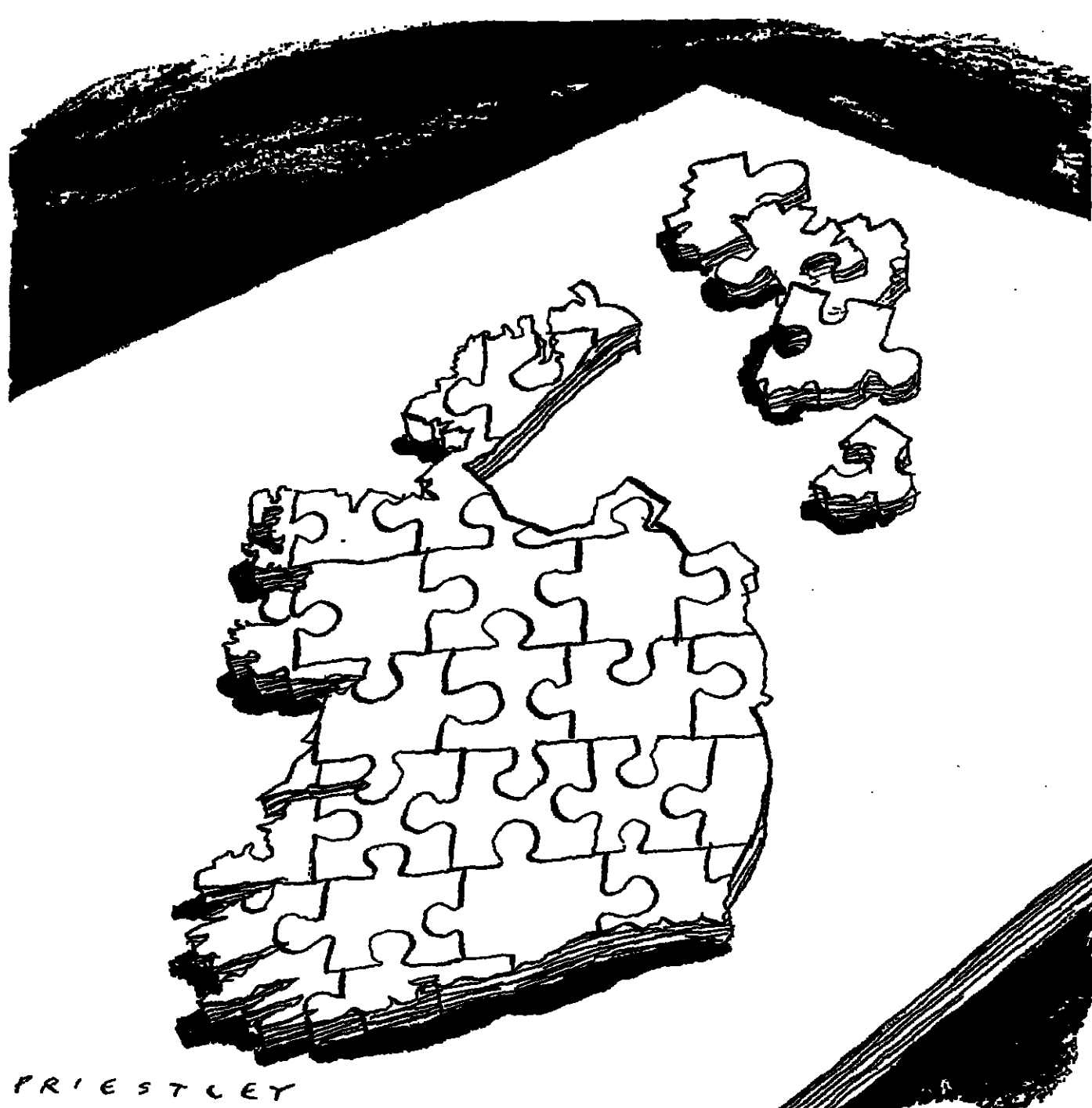
It could all run into the sand, as have so many initiatives over the course of The Troubles, but it could also be the beginning of a whole new era.

If the negotiations develop momentum, much will depend on the personalities and

skills of the politicians and diplomats involved.

But much will also depend on the state of opinion in the two communities, which are separated by such a vast gulf in the way they look at the world. One example of this, seen just this week, was the opinion poll finding that while two-thirds of Catholics think the IRA ceasefire will hold, only one Protestant in 10 agrees with them. And to quote just one other example of the stark difference in attitudes: 87 per cent of Catholics disapprove of plastic bullets, while 86 per cent of Protestants approve of them.

Clearly, compromise is vital if the talks are to succeed or even make substantial progress. An examination of the current state of opinion within the two communities may shed light on how far their political representatives may feel able to go in the negotiations ahead.



PRIESTLEY

Northern nationalists are divided into two distinct parts: the constitutionalists who oppose violence and the republicans who have used it or approved of it. Both sets regard the talks as a promising opportunity to advance their objectives.

Practically all constitutional nationalists vote for John Hume's SDLP, which regularly collects well over half the votes cast by Catholics. It thus speaks for the Catholic middle class and much of the working class.

The people it represents basically want peace, a more equal Northern Ireland, a recognition of their Irishness and the opportunity to advance towards a united Ireland – or rather, in Mr Hume's often-repeated phrase, an agreed Ireland.

To generalise: they regard themselves as a community gradually emerging from a history of anti-Catholic discrimination, not yet living in a completely fair society. On one level they regard themselves as having become empowered socially, politically, economically and numerically.

Catholics and nationalists have moved up the social and economic ladder as avenues of employment which were once closed gradually opened to them. Making advances which would have seemed inconceivable a few decades ago, they now for example occupy many key posts in the public sector.

Politically, in John Hume and Gerry Adams they have internationally known leaders. Numerically, they have increased from one-third to at least 43 per cent. Their fortunes have thus been transformed since their pre-1969 days of doleful isolation.

Yet there are still burrs under the saddle. Some businesses and some

Irish nationalists

districts remain closed to them. Some institutions, notably the Royal Ulster Constabulary, continue for whatever reasons to have a predominantly Protestant complexion.

SDLP supporters thus look to talks as an opportunity to consolidate their advances and if possible build upon them. In anything that emerges from talks they will be looking for more moves towards equality and more guarantees of their civil rights; they will also want to ensure that no new obstacles are erected towards Irish unity in the longer term.

A Catholic lawyer summarised: "This place is over 40 per cent Catholic, which means it's over 40 per cent nationalist, which means it's over 40 per cent Irish. I want to see the British acknowledging that, and it would be nice if we could get Unionists acknowledging it too."

The general sense among constitutional nationalists is that they have potentially much to gain from talks, and little enough to fear. Confidence in John Hume is high, while the continuing involvement of Dublin and Washington acts as additional reassurance that their interests will be looked after.

As for the people of the south, they have a similar though not quite identical instinct to that of northern nationalists. People there want to see a fair deal in the north, though most of all they want stability and a final end to the violence. Irish unity remains the longer-term aspiration.

The hardest-line nationalists are of course Sinn Féin and the IRA. With the Sinn Féin vote having increased by leaps and bounds, most recently to 17 per cent, it is plain that Gerry Adams is selling something which more and more nationalist voters wish to buy.

The vital test of his leadership will come, some time in the next few

years, when it is seen whether he brings his supporters towards settling, in the meantime at least, for something less than their cherished goal of a united Ireland. Sinn Féin leaders talk often of a united Ireland but they also from time to time use phrases such as "interim settlement".

Sinn Féin's constituency consists in large part of the urban dispossessed who live in the poorest parts of Belfast, Londonderry and elsewhere and who have largely missed out on the betterment enjoyed by the Catholic middle class and upper working class.

While more Catholics are in work, often in good jobs, ghetto unemployment remains high. Parts of west and north Belfast, for example, have high levels of joblessness, paramilitary involvement and resulting security force attentions, together with general deprivation and alienation.

The product has been tightly knit hyper-politicised local communities which find political expression in Sinn Féin and, often, in the IRA. Extremism is common enough here, but so too are high levels of pragmatic realism.

As the troubles dragged on, it became evident to a majority there that IRA guns and bombs were not going to bring about British withdrawal and a united Ireland. There is a sober recognition that talks will not accomplish what terrorism could not, and it is difficult to find anyone who believes a united Ireland lies at the end of these talks.

What is important to them, however, is that something tangible should emerge from the talks on two fronts: first, in terms of the inclusion of republicans in any new political and economic arrangements, and second, an assurance that the road to eventual Irish unity will not be blocked.

Ulster Unionists

While it is possible to package Irish nationalists reasonably tidily into the two pigeonholes of Sinn Féin and the SDLP, the picture on the Protestant side is much more fractured and confused. The spread of opinion was vividly illustrated in last year's forum elections in which David Trimble's Ulster Unionists took 46 per cent of the Unionist vote. Forty-three per cent went to the Rev Ian Paisley and his close associate Robert McCartney, while 10 per cent went to the two loyalist parties which have paramilitary links.

Mr Paisley and Mr McCartney are anti-talks; the loyalists are pro-talks; the Ulster Unionists are taking months to make up their minds. Outside the strictly political sphere, senior business and church elements very much favour negotiation. But grassroots Protestants, according to the opinion polls and anecdotal evidence, seem markedly in favour of dialogue, with more than half of Ulster Unionist supporters actually urging face-to-face talks between their leaders and Sinn Féin. A much larger majority balks at face-to-face meetings but still wants participation in talks.

This is new. Unionists have traditionally been suspicious of dialogue and negotiation, even with constitutional nationalists. Finding, now that they want their leaders to go eyeball-to-eyeball with Gerry Adams is a complete departure. Many, probably most, Unionist politicians tend, however, to take a different view. They look at the talks lineup, note that Unionists will be up against the SDLP Sinn Féin and the Dublin government, and conclude that the talks are unlikely to produce a result that would strengthen the union with Britain and the Protestant cause.

But the prevailing sentiments in the Protestant community seem to be that the ceasefires are there to be built on, that if the parties don't talk, London and Dublin will get together and assemble a package anyway, and that the best way to represent Unionist interests is to be at the table. This is a quite startling change of perspective for a community which has lost much political power over recent decades and watched its once-comfortable majority in the country slipping away. Its people have lacked a clear goal to aim for and the chances of forging stronger links with Britain seem remote.

The peace process began as a nationalist phenomenon, arising from activity within Sinn Féin, the SDLP and Dublin. But its emphasis on dialogue appears to have crossed the political divide and taken root within Unionism. The potential Paisley influence in all this should not, however, be underestimated. Although more and more voices are to be heard saying it is time to talk and make a new start, there are still many arguing that the ancient enemies – the IRA, Rome and British duplicity – remain as much of a menace as ever.

The debate is still going on. "I just don't believe there could be a pro-union outcome from these negotiations," said one Unionist. "We need to be in there," said another, "because if you're not in you can't win. I just think it's time to go in and face down Adams and Sinn Féin." Paradoxically, it is the former paramilitants, many of whom have been to jail for loyalist terrorist offences, who privately most favour the idea of dialogue: there is sense of having learned the hard way that jaw-jaw may be preferable to war-war.

The history of the Unionist political mainstream is littered with examples of leaders who, defying Paisleyite wrath, contemplated making a deal with nationalism. Nearly all who did so ended up wrecking their careers, while those who stayed in the trenches have tended to have the longest political lives. This time, however, a perhaps unprecedentedly large section of Unionist opinion seems to favour making a leap of the imagination and opting for talks. This may, in other words, be the moment so many British ministers and Irish nationalists have dreamed of for decades: the moment when Protestant opinion finally propels its representatives into making a deal.

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CAF

Derek's golden silence cut through the waffle

Whoever wrote the obituaries of Derek Taylor, the late publisher for The Beatles, had a difficult job. How can you obituarise a publicist? Say that he did a good job? Got The Beatles very famous? Protected them from each other? Was good on the phone?

What was mentioned nowhere – and why should it be? – was that Derek Taylor was responsible for the most electrifying bit of television I have ever seen and I often think of the moment with affection and gratitude. I would be letting down his memory if I didn't record the way it happened, here and now; some details are a bit blurred now, but my memory still retains the correct flavour of the experience.

The occasion was something like the first anniversary of the start of BBC2, and BBC2 had decided to pay tribute to itself – how else? – staging a long, live discussion programme about TV, the media, the public, the art of communication, etc. This was back in the 1960s, so they probably talked about Marshall McLuhan as well,

and the global village. It was also the era of The Beatles, so although they couldn't lure a Beatle on to the programme, they had managed to get Derek Taylor on – "Yes! We've got Derek Taylor!" you can imagine the assistant producer shouting down the phone in triumph. "Who the hell is Derek Taylor?" you can imagine the producer saying. "Only The Beatles' right-hand man, that's who," says the assistant producer, as if he is being asked who John the Baptist is.

Nowadays I would have to be paid to watch such a programme but in those days I thought that theorising about communication was not a waste of time, so I switched on the two-hour live discussion programme – and by "live" they meant it was actually happening as it went out, whereas today by "live" they mean it was recorded in front of an audience months ago – and settled down to watch the assembled heavyweights hold forth. Thirty years on, I cannot remember any of them by name, but they were playing in the same league as names such as Hoggart and Williams and Miller and Steiner.



Miles Kingston

Not to put too fine a point on it, it was a dreary, semi-intellectual, posturing, jargon-ridden programme, with people gently fighting each other to get in with their theories, or, if they hadn't any theories, fighting to get in with their anecdotes. The only exception was Derek Taylor. He seemed to have nothing to contribute to the discussion at all. It wasn't quite clear whether he was out of his depth, or agreed with what everyone said, or was on drugs, or what, but for a whole hour he said nothing at all. To begin with, the others welcomed this lack of

competition, as it gave them all more space to talk. But the chairman of the programme finally felt his nerve crack, and he turned to Derek Taylor and said:

"Derek, we have ranged far and wide over the subject of the media today, which is obviously something you are concerned with, but you haven't said anything at all yet in this first hour. Is there anything you want to add to the debate before we go into the second hour?"

To which Taylor finally stirred and made a speech along the following lines: "Well, I would like to say just one thing. I have been listening to what you have all been saying for the last hour, and I have to say that although I have lived my life in the media, I haven't understood a single word of what you were talking about. I am not stupid but I just don't know what you are driving at. Now, I am sure there are lots of people out there who are listening to this conversation and who are having the same experience as me. They don't know what you're on about. They probably think it's their fault. They probably think they are

odd because they can't understand what is being said. So I think that my most valuable role in this discussion is to sit here and be someone they can identify with, someone who is as baffled as they are. What they need on the screen is someone who they can see with their own two eyes is just as adrift as they are. That's all I want to say, really, and I don't intend to say anything more in the programme."

And although the programme went on for another 60 minutes he didn't say another thing. Not a thing! What a performance! He was worth every penny of whatever he was paid that night. How often since then, when people on TV have been discussing modern painting and rock music and politics and football and the Booker Prize and genetics and all the things that bring out the worst in pseudo-intellectuals and indeed real intellectuals, how often have I longed for an icon of Derek Taylor to appear in the corner of the screen, listening and shaking his head, as if to say: "Don't worry. It's not you. It's them. It is they who are talking through their hats."

Ashdown finds reason to forge a strange alliance

On the face of it, it's hard to imagine anything crazier. Tony Blair, the most popular, unifying, peace-time Prime Minister of the century carries all before him. Today's endorsement of the Scottish Parliament vindicates not only his party's devotion to policy but his own, rather lonely, and in Scotland, originally much criticised decision to hold a referendum in the first place. His intuitive grasp of the public mood after the Princess of Wales's death, and his ability to speak for the country, underline his invincibility. His majority is huge and impregnable. His party shows scarcely a sign of schism. And up pops Faddy Ashdown talking about the desirability of coalition. Who does he think he is?

A politician still confident he is very much in play, is who. His interview this week with the *New Statesman* was at once more casual and calculated than it looks. More casual, in that he did not mean to drop some heavy hint that he is imminently to be offered, much less accept, a fistful of places in a Blair Cabinet. More calculated in that he is determined to drive home to his own party, as it prepares for its annual conference in 10 days' time, the merits of its deepening relationship with Labour – a relationship which will enter a new phase next Wednesday when senior Liberal Democrats meet ministers for the first time round the cabinet table under the chairmanship of the Prime Minister.

There were grumbles among some of Ashdown's MPs at Westminster when he broke it to them that he was accepting places on the new cabinet committee on constitutional reform. But he is entitled to boast that his strategy – all the way from his pre-election promise that he would not prop up a minority Tory government – has so far succeeded better than even he could have hoped. The arm's-length alignment with Labour paid off handsomely as voters, backing candidates from each party with cheerful anti-Tory promiscuity, delivered Ashdown 46 seats. Because of Labour's landslide, even with this signal electoral success, the party doesn't have the leverage it would have liked. But that is precisely why it's sensible to exploit whatever opportunities it has, including seats on the new committee, to press the Government into backing the one change that would qualitatively transform its chances: electoral reform for the House of Commons. It is not even as if the party has forgotten how to oppose: with an eye to the student vote, the Liberal Democrats will campaign this autumn against the Government's introduction of student fees. For all these reasons, despite the huffing and puffing, Ashdown will have little serious trouble at his conference.

For Blair himself, it's different. He can't see, from his Olympian perch, anything on the horizon which threatens the kind of parliamentary instability that would make the Liberal Democrats useful, let alone necessary. But Ashdown's calculation is that Blair is looking well beyond the horizon. When the Prime Minister famously spent some of the summer before the election reading George Orwell's *The Strange Death of Liberal England*, he cannot have known how relevant the landslide of 1 May 1997 would make it. The story of the collapse of the centre-left

Donald Macintyre
Liberal Democrats are convinced they figure in Blair's obsession with the need for a second and probably a third term

which so dominated the 1996 parliament is imprinted on his brain. The Liberal Democrats best placed to read Blair are convinced that he is obsessed by the need for a second, and probably a third term. And they are probably right that they themselves figure, however cloudily, in that obsession.

Nevertheless, there is an odd omission in Ashdown's intriguing disclosure that he would have recommended to his party a coalition had there been a hung parliament. At what price? He is surely not assuming that Blair would have given away proportional representation in an indecently hasty backroom deal to prop him up. It would have been just as plausible, and a good deal more dignified, for a Blair minority government to soldier on and win a second election outright. But without it, would Ashdown's party have backed coalition? Probably not.

For electoral reform remains the Liberal Democrats' own obsession. And for all Ashdown's bullishly expressed conviction that Blair will come round to PR quite soon, the Liberal Democrats are still unsure of Blair's true intentions, or even whether Blair himself is yet sure of them. Yes, he wants to forge the sort of grand alliance that will withstand the pressures which did for the left and centre-left after the First World War. But how? Does he calculate that, denied electoral reform, the most serious Liberal Democrats will have nowhere to go but to a Labour Party they can at last feel entirely comfortable in, or is he a pluralist in the purest sense of the word? New Labour big tent, or multi-party coalition? Even the most optimistic private characterisation of the Prime Minister's views is that he is "emotionally more open to being intellectually persuaded" of the case for reform.

The deliberations of the cabinet committee on the terms of reference for the Commission which will put a reformed system to the promised referendum may shed some light on his views, and on whether he is flirting with the halfway house of the alternative vote system. The pressures are building up in favour of change, the latest being increasing talk in Scotland that local authorities might change to PR to clean up town-hall politics – a reform that is fully in the competence of the new Edinburgh parliament. If that happened, England might well follow. And a first-past-the-post system for Westminster would look all the more anomalous.

But whatever the answer is, Ashdown's strategy can scarcely be abandoned. In hindsight it seems incredible that the Liberal Democrats could ever, post-Blair, have contemplated continuing to sulk in an equidistant tent. They will oppose the Conservatives, they can only compete with Labour. The two leaders are friends. The big picture policies, on social cohesion, on economics, even on all constitutional reform sort of PR, could hardly be closer. Only tribalism, in either party, now stands in the way of the kind of co-operation Ashdown envisages. No one yet knows quite what the endgame is. But there is a book which both Ashdown and Blair yearn to see written sometime in the next century. Forgive the title – it's awful: *The strange continuity of liberal and centre-left Britain*.

Scotland's gamble on a new political culture

by Andrew Marr

"Give us our parliament in Scotland. Set it up next year. We will start with no traditions. We will start with ideals... men and women... [will] spend their whole energy, their whole brain-power, their whole courage, and their whole soul, in making Scotland into a country in which we can take people from all nations of the earth and say: 'This is our land, this is our Scotland, these are our people, these are our men, our women, our women and children: can you beat it?'"

Thus, nearly 75 years ago, a lean and hungry figure, lank hair falling across his face, in full passionate torrent in front of a crowd in Glasgow. The man was John Maxton, one of the original "Red Clydesiders", and he was arguing in favour of Scottish Labour's first home rule Bill. To compare the sense of urgency and the emotional force of his campaign with the comparative quietness and hesitancy of this September is striking and raises questions.

Then, politics was different. It was about ideology. Maxton and his colleagues dreamed of a "Scottish Socialist Commonwealth" in which the landlords would be driven out, the common people liberated, and the scourges of bad housing, unemployment and poverty banished. The question of what a Scottish parliament was for was, to them, blindingly obvious.

Yet to many of those engaged in the current campaign, the day-to-day purpose of the Edinburgh parliament has not been quite so clear. A hard agenda of planned reforms, which one might have imagined to be at the very forefront of the "yes, yes" campaign, was mostly missing. There were fine generalities about a better health service, bringing government nearer to the people and so on – all excellent. But there hasn't been nearly enough debate about what should happen to Scottish schools and universities under a new regime, or the environment, or urban transport policy, or indeed anything concrete. How might devolution help, rather than hinder, fish-farmers and the service industries? What would a Scottish parliament be doing now to turn around the country's terrible health record that Westminster hasn't done? Do the parties want to improve access to the country? Should there be more New Towns?

The fuzziness about bread-and-butter issues may have a lot to do with the less confident, more attenuated political culture of the Nineties. Politicians have become used to explaining how little they can do, not how much. But if they can't make important changes to people's lives, why would anyone vote to have more of them?



The Old Royal High School in Edinburgh, possible home of the new parliament

In local politics there are dim, expenses-fiddling fourth-raters under whose authority no sentient creature would like to exist

Paradoxically, the lack of a confident Scottish domestic agenda, argued vigorously between the parties, has also fuelled the suspicion among the enemies of home rule that there is a hidden agenda. Is the fuzziness deliberate? Who and what is hiding behind the blandly reassuring generalities about devolved power and responsive government?

In Scotland, there are many better-off people, and businesses, who genuinely fear that the result of the referendum will be a belated, if less extreme, experiment in the policies advocated by Maxton in the Twenties; that, just as Marxist China embraces privatisation, this small northern country will have a go at socialism. It will be the insurance companies, as well as the landlords, who are driven out, and the immediate tax impost will be less dramatic, but the damage will be real enough.

This may seem a bizarre fear, given the general conservatism of New Labour in power. But

the opponents of devolution (including, it has to be said, certain members of the Tribe of Marr – we are not a clan – who live north of the Border) are looking not at Tony Blair when they shiver. They are worried, rather, by the prospect of councillors from a string of poorly run and occasionally corrupt local authorities near at hand, taking control of Scotland, and mucking the place up further.

At its extreme, this becomes both an anti-politics argument and an anti-politics argument. Scottish politics has been a branch factory of British politics, and to many people the country had seemed to contract-out its political life to London. It was something that happened far away. So, many people ask, why have the political fools and knaves back? Why not let us get on with our lives?

The second line of thinking is openly pessimistic about Scottish public life. Among many Conservative critics, in particular, there is a half-spoken belief that Scotland does

not contain enough talented and dedicated people to fill an Edinburgh parliament. Ex-ministers, among others, believe that it will inevitably become the preserve of those who could not make a living elsewhere and who are so talented that they can't even join the (not overly-brilliant) squad of Scottish MPs at Westminster.

Is this possible? Frankly, in theory at least, yes. The worst people in Scottish local politics are awful. There are dim, expenses-fiddling fourth-raters under whose authority no sentient creature would like to exist. There are also fine and dedicated people. But unless the Scottish parliament lures many more good people into public life there, it will fail.

I think it will lure them. I think. But the whole Scottish political culture will have to change. That, indeed, is the gamble to which the whole home rule case eventually reduces. So why the optimism? Two reasons: the new voting system and the new responsibilities of an Edinburgh parliament.

The voting system matters more than many people seem to have grasped. Scottish local government has been politically monotonous. That is why it has been so bad. In many parts of the country one party (generally Labour) has had a freehold on the town halls, as well as on the parliamentary seats. The concentration of poverty in and around the main cities has been part of the reason. But first-past-the-post voting has reinforced it: as in much of England, local politics has become a cosy, one-party club, operating on favours and deals.

The new parliament, though, will have a proportional system. There will be voters there that have not been heard for years in local authorities. Labour is unlikely to have an overall majority. Scottish Tories and the Liberal Democrats, as well as the SNP, will be there in numbers.

But this is not just about the balance of parties. If it comes to pass that a lumpen-councillor style of parliament is elected first time round, then tens of thousands of Scots will have three choices: head for Yorkshire; endure bad governance in a state of teeth-grinding hopelessness; or become involved in public life. I think that a very few would emigrate; a certain number would keep the dental service busy; but very many would get involved.

Bit by bit, year by year, enthusiasm and energy will return to Scottish political life. All sorts of people – doctors, head-teachers, business executives, engineering workers, bus drivers and novelists – will realise that they can make a difference, and will be provoked by bad arguments or poor decisions into trying to make that difference. And then, before many years have passed, Scotland will have a parliament that really helps. And its members will be able to look around and say: "This is our Scotland, this is our land, these are our people and our works... can you beat it?"

On this morning of all mornings, that is an expression of faith – a gamble. It may seem ludicrously optimistic. But if it is a gamble, it is a gamble on democracy. To reject this new parliament is to reject politics. And none of us can afford to do that.

The paparazzi join the New York art world

Adrian Dannatt visits a timely exhibition that traces the history of celebrity snapping

"Felliniesque" as in the grotesque, absurd and bizarre, might be picked at this week at Manhattan's prestigious Robert Miller gallery, whose latest exhibition vanished altogether on its opening night beneath a pan-global avalanche of photographers, TV cameras and journalists simultaneously reporting on each other. Synchronicity ordained that this show, planned eight months in advance as part of the gallery programme, would suddenly be turned into a bulimic media feeding frenzy: for its title is "Il Paparazzo", and the black-and-white images on the walls trace this distinct photographic genre from the mid-Fifties until today.

Fellini (not just his "esque") is much to the fore. Not only is the exhibition a homage to the term he invented for *La Dolce Vita*, for which he created the name "Paparazzo" after a school friend – an entirely fictional origin for a breed fixated on raw reality.

The Robert Miller gallery is renowned for its photography department, which specialises in such modern masters as Diane Arbus, William Eggleston and the abstractions of Jan Groover. These are overtly high Jan Groover. far removed from art practitioners, far removed from the sordid financial engines that drive the paparazzi. To curate a show around the micro-history of the celebrity snapper would be an interesting choice for such a gallery in any circumstances, as within the polished, white, gallery cube any image gains associative pedigree. But, as this show demonstrates, there is no such thing as a "photography" per se, merely dif-

ferent uses and abuses of photographs.

If the idea was to explore the hidden aesthetics of such photography by presenting it in a different cultural arena, which the show ably and fascinatingly does, the surging melee of reporters at the opening were more concerned for a titillatory pan of glamorous guests or shocking close-ups, replicating unthinkingly the issues of the show. At one point, the smallest room contained no fewer than six rival TV crews, tripods scattered like alien visitors, glaring lights creating a miniature St Tropez, while a German presenter launched into his monologue, waggishly whipping out his own instant-camera to flash into his TV camera, part of the vertiginous self-contained media storm that included photographers photographing photographers in front of their photographs of photographers photographing photographers and so on into post-modern meltdown. Olivier Renaud-Clement, the gallery's photography director, attempted to explain his intention to a ceaseless chain of interviewers from Taiwan to Denmark, all determined to reduce it to a moral *faux pas*.

The show certainly does not whitewash the paparazzi by turning their work into isolated visual vignettes of compositional merit; instead, and rather surprisingly, the first historical section, "Il Paparazzo 1954-1964", is extremely condemnatory. While



The paparazzi make their presence felt in 'La Dolce Vita'

"stolen shots" of the notorious, earliest practitioners including Tazio Secchiaroli (on whom Fellini based the original "Paparazzo" figure), Marcello Radogaa and Mario de Biasi could easily have been turned into poetic souvenirs from an era of innocent, if as violent, intrusive and unwelcome then as now. The room full of framed black-and-white photographs may look sophisticated, but closer inspection shows Brigitte Bardot's boyfriend chasing a photographer on the Via Veneto; Walter Chiari trying to punch Tazio himself, then fighting another photographer; Anita Ekberg fighting them off with bow and arrows; and a particularly shocking image entitled "Jayne Mansfield lying on the ground after having been assaulted by a woman jealous of her beauty, Rome 1960". While

Recurrent paparazzi themes are made clear, not least the strange symbiotic link between celebrities and cars. There are endless shots of automobile interiors, open doors and tinted windows, as if the car were a physical extension of fame into a sculptural dimension. Planes are also much featured – the other of the two, most lethal 20th century forms of transportation, whose intimate nexus with the thanatology of celebrity J G Ballard was the first to research.

These vintage gelatin silver prints, available to collectors for a few thousand dollars each, may not claim to be art, but they open up issues otherwise taken for granted. From what is considered the first true paparazzi shot, of King Farouk in 1958, until today, this photography can be daringly abstract, yet happily accepted by a socio-economic clientele vocally opposed to abstraction in any other medium. An entirely incomprehensible jumble of dots only needs a caption to become immediately commercial in a way the pointillist painters could never have grasped. The paparazzi take photographs in which nothing matters apart from capturing the murkiest semblance of an event, which can then be constructed or imagined with text prompting.

The second half of the show, "Il Paparazzo 1964-1997", shows how basic rules of the genre have remained, albeit heated to boiling

point by money and the all-out power of "Celebrity Culture". This section also demonstrates how clichés of the paparazzi shot have influenced fashion photographers in everything from parodic advertising campaigns to everyday catwalk practice. Throughout the show it is obvious how much these photographers limit themselves to already determined media targets, for in the majority of shots other photographers' circular flashbulbs are visible like the halos of Quattrocento saints, an unbreakable publicity loop no different today.

It could be argued that without such work the only images of our celebrities would be studio portraits staged by themselves, or that we now have an archive of historically important, spontaneous verities; but what is finally impressive about this exhibition, regardless of its own timing, is that it shows the real history of the paparazzi without obvious moralising or any attempt to elevate their work to artistic status. The final framed shot is a 10 by 8in print of an elegant young woman in a strapless dress being led into a dinner in Washington DC last year. We only see her naked back, her hair; but unlike those Sixties starlets of the Piazza di Spagna, this woman is so instantly, almost subconsciously recognisable that she requires no caption or explanation. Whether as a mark of respect or symbol of the end of unbridled paparazzi power, this photograph is the perfect note to end on. Of all the images in the exhibition it is marked NFS, Not For Sale.

The show runs until 4 October at Robert Miller, 41 East 57th St, New York City.

Dear Arthritis People...

Dear Arthritis People, I am nine years old and have Arthritis. I don't have it badly but it is very painful sometimes. At school I have just organised a bring and buy sale. We raised fifty five pounds and four pence. Every little bit of it is going to your charity. I hope it helps.

love Libby Clark
Grove Road Primary

This is a real letter from one of our youngest fund raisers. Libby is one of over 11 million people in Britain today who know just how painful arthritis and rheumatism can be.

The Arthritis and Rheumatism Council for Research is the only major UK charity financing medical research into all aspects of arthritis and rheumatic diseases in Britain today. Libby used her spare time to help us. Can you help us too?

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Please send an information pack ☐ 0754 441602/2007

To: The Arthritis & Rheumatism Council, FREEPOST, Chesterfield, Derbyshire S41 7BR.

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YOUNG OR OLD - THE PAIN'S THE SAME

obituaries / gazette

Sir John Kendrew

John Kendrew will be remembered for many contributions to science, but three stand out: his determination, in atomic detail, of the structure of myoglobin, a protein found in muscle, the function of which is to take oxygen from haemoglobin; his role as the founder editor (1959) of the *Journal of Molecular Biology*; and the setting up of the European Molecular Biology Laboratory (EMBL) in Heidelberg, which will forever be regarded as his monument.

From 1947, for 27 years, Kendrew was College Lecturer, Official Fellow and Director of Studies in Natural Science at Peterhouse, Cambridge. As is typical of Oxbridge Fellows, he also undertook other college duties, serving successively as Librarian, Proctor, Steward, Wine Steward and Custodian of the college's paintings and portraits. And when Cambridge University introduced its new *Tripes on the History and Philosophy of Science*, he also supervised undergraduates reading those subjects.

But Kendrew, while serving as a teaching Fellow, won the Nobel Prize in Chemistry in 1962 (which he shared with his fellow Peterhouse Max Perutz), and also served as President of the British Association for the Advancement of Science in 1974. And when he handed on his responsibilities to his successor, Dr Klug (now Sir Aaron Klug OM, President of the Royal Society), whom he was instrumental in recruiting to Peterhouse, he too won the Nobel Prize in Chemistry (in 1982) while a teaching Fellow.

He was born in Oxford in 1917, the son of a climatologist father and an art historian mother who carried out distinguished work in Italy on Venetian and Florentine painting. He attended the Dragon School, Oxford, from 1923 to 1930 and Clifton College from 1930 to 1936. Entering Trinity College, Cambridge, as a Scholar in 1936, he became, in due course, Senior Scholar in Nat-

ural Sciences when he took the Tripos Part I in Chemistry, Physics, Mathematics and Biochemistry with first class Honours and another First in Part II Chemistry.

After graduating in 1939, he spent the first few months of the Second World War doing research on reaction kinetics under the supervision of Dr. E.A. Moelwyn Hughes. He then became a member of the Air Ministry Research Establishment (later Telecommunications Research Establishment) and worked on radar. In 1940 he joined the staff of Sir Robert Watson-Watt, and for the rest of the war was engaged in operational research at Royal Air Force Headquarters, successively in coastal command, Middle East and South East Asia: he held the honorary rank of Wing Commander, RAF.

During the war years, his scientific interest became more biological, largely because of the influence of two great scientists. First, the brilliant polymathic physicist J.D. Bernal, with whom he rubbed shoulders in Ceylon. When the Japanese surrendered, he returned from the Far East via Pasadena where he spoke to Linus Pauling at the California Institute of Technology. Among the varied provinces of Pauling's protean genius, his penetrating insights into the structural elucidation of (small) biological molecules was particularly exciting. Pauling's stimulus greatly influenced Kendrew, so that, when he returned to Cambridge in 1946, he had already decided to commence work on the structure of proteins.

At the Cavendish Laboratory he began his collaboration with Max Perutz (who had earlier identified haemoglobin as his target) under the direction of Sir Lawrence Bragg. What stimulated Perutz and what also sustained him and Kendrew for over a decade was the certain knowledge, traceable to a seminal paper on the structures of pepsin in the mid-1930s by Bernal and

Dorothy Crowfoot (later Hodgkin), that crystalline macromolecules (like the blood protein haemoglobin and myoglobin consisting respectively of approximately 12,000 and 2,600 atoms) had each of the constituent atoms situated in a precise site, and that the rationally complicated task of determining these sites could, in principle, be retrieved from the tens of thousands of diffraction spots that crystals of these proteins yielded when exposed to X-rays.

The scientific methods harnessed and brilliantly extended by Kendrew and Perutz had some of their origins in the universities of Glasgow, where J.M. Robertson invented the heavy atom substitution method, and of Utrecht, where the Dutch crystallographer Bijvoet showed how the three-dimensional structure of complicated molecules could be retrieved from the X-ray diffraction patterns of two different heavy-atom variants. Kendrew, assisted by two visiting American scientists who came to the Cavendish, Howard Dintzis and Richard Dickerson, succeeded in obtaining crystals of gold- and palladium-substituted myoglobin. These proved crucial. Kendrew, with his formidable mathematical skills, could also take advantage of the emergence in Cambridge of the EDSAC-1 and EDSAC-2 digital computers, which he exploited for the Fourier analysis of his diffraction data.

When, in 1957, Kendrew solved the structure of myoglobin, Perutz confessed to being envious. But shortly thereafter, he too, using mercury-substituted haemoglobin, reached the promised land. What was particularly exhilarating was the realisation that the twisted and folded helical chains that Kendrew found in myoglobin, were also present in Perutz's haemoglobin. This galvanised activity in molecular biology world-wide.

Adolf Butenandt, the emi-

nent German Nobel Laureate, set his colleagues in Munich the task of using chemical methods (such as those pioneered by Frederick Sanger) to trace the sequence of amino acids in the proteins studied by Kendrew and Perutz. The chemical results harmonised beautifully with those of crystallography. (It was Butenandt who nominated Kendrew and Perutz for the Nobel Prize).

Under Lawrence Bragg's aegis, in 1949, Perutz and Kendrew formed the newly constituted Medical Research Council Unit for Molecular Biology in the Cavendish, the forerunner of the MRC's Laboratory of Molecular Biology; and after Bragg moved to become Director of Royal Institution (RI) in London, they both were appointed Honorary Readers of the Davy Faraday Research Laboratory there, posts that they held from 1954 to 1968. In 1963, at a famous *Friday Evening Discourse* at the RI, they unveiled to a dazzled lay audience the secrets of their discovery.

Kendrew's own interest in fundamental research began to wane in the mid 1960s as he gradually turned his brilliant mind to matters of policy. He had already served as Deputy Chief Scientific Adviser to the Ministry of Defence (from 1960 to 1963); and then he became Chairman and Secretary General of the International Council of Scientific Unions from 1974 to 1980, a body of which he became President in 1988 to 1990.

Fluent in Italian, German and French and immersed in Renaissance culture and music, Kendrew was a committed European. When Vicki Weisskopf and Leo Szilard called him and Jim Watson (immediately after the Stockholm Nobel Ceremony in 1962), to discuss the prospects of establishing a European Molecular Biology Organisation (Embo) like the Nuclear Science Centre (Cern) in Geneva, he responded enthusiastically. Supported by



Kendrew, joint winner (with Max Perutz) of the 1962 Nobel Prize for Chemistry for his work on the structure of proteins

other European molecular biologists, notably Perutz, Jacob (France), Friedrich-Freska (Germany), Ole Maalo (Denmark), Jeffries Wyman (US) and, crucially, Ephraim Katchalski-Kazir of Israel (who persuaded Golda Meir to give \$20,000 towards the nascent Embo), Kendrew led the way.

Amongst other things it culminated in the creation of one of the finest biological research centres in the world, the European Molecular Biology Laboratory (EMBL) at Heidelberg of which he was the founding Director (for 20 years).

Kendrew served as Trustee of the British Museum, Chairman

of the National Science Advisory Board of the UK National Commission for Unesco, member of the BBC Scientific Advisory Group, and member of the Board of Governors of the Weizmann Institute in Israel from 1964 to the time of his death.

In 1981, he took on the Presidency of St John's College, Oxford, where his diplomatic skills, artistic and cultural tastes and formidable intellect were appreciated by the Fellows and students. Upon his retirement, he returned to live in Cambridge, where he was Honorary Fellow of both Trinity and Peterhouse.

He was appointed CBE in 1963 and knighted in 1974. He was a Fellow of the Royal Society and an Honorary Foreign Member of many national academies. He received numerous honorary doctorates, one of the first from Complutense University, Madrid and the last, just a few weeks before he died, from his Alma Mater.

John Kendrew was a shy, private person who exuded dignified charm. It was always a pleasure meeting him. Even his answerphone message: "Please be patient and I shall get back to you as soon as possible", captured one's mind and heart.

He will be mourned by many throughout the world.

John Mearns Thomas

John Conway Kendrew, biochemist; born Oxford 24 March 1917; Deputy Chairman, MRC Laboratory for Molecular Biology, Cambridge 1946-75; Fellow, Peterhouse, Cambridge 1947-75; Reader at Davy-Faraday Laboratory, Royal Institution, London 1954-68; FRS 1960; Nobel Prize for Chemistry (jointly with Max Perutz) 1962; CBE 1963; K 1974; Director General, European Molecular Biology Laboratory 1975-82; President, St John's College, Oxford 1981-87; died 23 August 1997.

Burgess Meredith

"I was born a character actor," maintained Burgess Meredith. "I was never really a leading man type." Despite or probably because of this, Meredith's acting talent kept him, for seven decades, in demand in nearly every branch of the entertainment industry.

He had been a boy soprano, college student, merchant seaman, the salesman, reporter and Wall Street runner before making his first stage appearances with Eva Le Gallienne's Civic Repertory Theatre in New York (1929-33). On Broadway in *Little Ol' Boy* (1933) he played a prizefighter, and, although the play only achieved 12 performances, he tied with the legendary George M. Cohan for Best Performance of the Year. He was next offered the role of a college student called Buzz Jones in the farce *She Loves Me Not* (1933). As Meredith's nickname had always been "Buzz", this seemed (and was) fortuitous: it was his first two-office hit.

Clearly echoing the Sacco-Vanzetti case, Maxwell Anderson's acclaimed verse play *Witness* (1935) concerned the efforts of Mio Romagna (Meredith) to clear the name of his father, a radical executed for a murder he hadn't committed. Anderson wrote three more plays for Meredith: *High Tor* (1936), *The Star-Hog* (1937), and *Knickerbocker Holiday* (1938). Their working relationship ended when Meredith rejected the latter play, accepting instead the role of Prince Hal opposite Orson Welles's Falstaff in *Five Guys* (1939), a cumbersome disaster that never reached Broadway.

Meredith again played Mio in the screen version of *Witness* (1936), the first of over a hundred films, including *Idiot's Delight* (1939) and *Second Chorus* (1941), in which he lost Paulette Goddard to Fred Astaire, but won her off screen; she became his third wife. That same year he was the "Harry" in *Tom, Dick and Harry*, one of his few "A" features in which he got the girl - in this case Ginger Rogers. I

once asked the director Lewis Milestone how he managed to draw such a splendid performance from Lon Chaney Jr as the simple-minded giant, Lennie, in his *Of Mice and Men* (1939). Milestone said, "It was Meredith who did it. Nearly all their scenes were together, and Buzz's acting was so true. Lon's just couldn't not be."

In 1942 Meredith entered the US Army, writing, directing, co-producing and appearing in several government orientation films, most notably *Welcome to Britain* (1943), which he co-directed with Anthony Asquith, which prepared England-bound GIs for the unfamiliar accents and warm beer ahead of them. The army placed him on inactive status to play the war correspondent Ernie Pyle in *The Story of GI Joe* (1945), one of the few distinguished Hollywood films about the American fighting man. He played an ancient, flower-scented eccentric as well as writing and producing Jean Renoir's *Diary of a Chambermaid* (1946), which starred Paulette Goddard.

In 1947, when the House Committee on Un-American Activities (HUAC) subpoenaed a group of film writers because of alleged Communist affiliations, Meredith was one of the film personalities protesting that the action was unconstitutional. After the all-star comedy *A Mirror*, *Can Happen* (1948), which he also co-produced, Meredith suddenly went mysteriously cold at the major studios. To escape HUAC's long shadow, he came to England to play a neurotic psychiatrist in the screen version of Nigel Balchin's novel *Mine Own Executioner* (1947). Richard Winnington wrote in the *New Chronicle*: "Burgess Meredith plays this part with a nervous power he has not equaled since the first appearance in *Witness*. In Paris, Meredith appeared in and directed *The Man on the Eiffel Tower* (1943), an efficient thriller in which Charles Laughton played Georges Simenon's Inspector Maigret. Back in America, Meredith



Meredith, left, with (from left) Frank Gorshin, Lee Meriwether and Cesar Romero in *Batman*, 1966

Photograph: Ronald Grant Archive

acted in five plays and directed another five between 1950 and 1956. He was also busy in radio and television until the publication of an infamous paperback called *Red Channels - Communist Influence in radio and TV*. The book listed his name alongside various left-wing organisations, and he had to take legal action to get back on the air.

As a theatre director, he was particularly proud of three productions: Joyce's *Ulysses* in *Nighttown* (1958), starring his fellow blacklisted Zero Mostel as Leopold Bloom, the compilation *A Thurbur Carnival* (1960) and James Baldwin's *Blues for Mr Charlie* (1964).

Meredith's film career was reactivated by Otto Preminger, who cast him in the Washington melodrama *Advise and Consent* (1962). In his memoirs, Preminger wrote, "Burgess gave one of the greatest performances I have ever seen, in the short but important role of

Herbert Gelman, a witness who lies. I didn't direct him, he did it all himself." Preminger also cast him in *The Cardinal* (1963), *In Harm's Way* (1965), *Hurry Sundown* (1967), *Skidoo* (1968) and *Such Good Friends* (1971).

Meredith's shade may not forgive me, but mention must be made of his splendidly villainous Penguin in television's *Batman* (1966). "It may have done me more harm than good," he wrote in his autobiography, "but it made an impact. I thought it had a Dickensian quality. . . . Recently a newspaper qualified me as 'best known as the Penguin'. It's an idiot's game to get yourself into." Meredith much preferred his Emmy-winning role in *Tail Gunner Joe* (1977), a semi-documentary about Senator Joseph R. McCarthy, in which Meredith played Joseph N. Welch, the Boston lawyer who represented the army in the televised hearings that sealed McCarthy's political doom. It

was Welch who, after a young legal assistant had been grounded, allegedly accused of Communist sympathies, rounded on the ignominious Senator with "Have you no sense of decency, sir?" As Meredith later wrote, "When I played Welch I was getting a splendid revenge. I had been placed on the 'Red Channels' list by the McCarthy gang and this was a fair response."

His performance as Harry, the alcoholic ex-vaudeville hooper in John Schlesinger's *The Day of the Locust* (1975) earned him a nomination for Best Supporting Actor, but he lost to George Burns in *The Sunshine Boys*. The following year his performance as Mickey the trainer in *Rocky* won him another Best Support nomination, but he lost to Jason Robards in *All the President's Men*. He repeated his trainer role in *Rocky II* (1979) and *Rocky III* (1982), in which Mickey died of a heart attack. None the less, he turned up again in *Rocky V* (1990), re-

turning from the beyond to remind Rocky of the sacred principles of the fight game. He played Jack Lemmon's 94-year-old, sex-obsessed father in *Grumpy Old Men* (1993), a role he repeated in *Grumpy Old Men* (1995).

In his 1994 autobiography, Meredith made it clear that retirement was not for him. "I always have an ear cocked for the clarion call, an eye for the next role," he wrote. "I'm a worker and I like to keep working. As best and as long as I am physically able."

Dick Vosburgh

George Burgess Meredith, actor, director, writer, producer; born Cleveland, Ohio 16 November 1908; married 1932 Helen Derby (marriage dissolved 1935), 1936 Margaret Perry (marriage dissolved 1938), 1944 Paulette Goddard (marriage dissolved 1949), 1952 Kaja Sundsten (one son, one daughter); died Malibu, California 9 September 1997.

Sir David Hopkin

David Hopkin's influence, first as Chairman of the British Boxing Board of Control from 1983, then as President from 1991, helped the board to become one of the best organised and smoothly oiled of boxing administrative bodies in the world.

He campaigned firmly for the standardisation of boxing regulations, especially in medical areas, across the world. It was a thankless, almost impossible task, but along with John Morris, the secretary of the board, he took up the fight and brought the issue into the open. It remains a long-term objective in a sport which is notoriously maverick.

Hopkins also played a major role in the revamping of the constitution of the European Boxing Union (EBU), an organisation which had long been viewed within the trade as anachronistic, ill-informed and racially biased. He was instrumental in persuading the EBU to register as a limited company, with its financial base in London, and to revitalise its administration. The EBU is now one of the most efficiently run administrative bodies in the world, with a reputation for making sensible, well-informed decisions.

The son of Daniel Hopkin, a Labour MP, David Hopkin was educated at St Paul's School and studied at the University College of Wales, Aberystwyth, and Corpus Christi, Cambridge. He was called to the Bar at Gray's Inn in 1949 and worked in the office of the Director of Public Prosecutions for 20 years from 1950. With his Dickensian looks and gentle,

manly wit, Hopkin was widely respected during his long association with Gray's Inn.

From 1970 he was a Metropolitan Stipendiary Magistrate, rising to become Chief Metropolitan Stipendiary Magistrate from 1982 until his retirement 10 years later. But it was boxing's strange, often bizarre world which attracted him for so much of his life. The current chairman of the British Boxing Board of Control, Leonard "Nipper" Read, said of him: "Sir David loved boxing and boxing people and his feeling for them was rewarded by a regard seldom expressed but always apparent."

Hopkin was invited to join the Southern Area Council of the British Board of Control in the 1950s by the leading promoter of the day, Jack Solomons, and settled quickly into the business. As chairman from 1983 to 1991, he earned a reputation for fair dealing, although he could, when the need arose, be a firm disciplinarian.

By the 1980s his influence had spread internationally. He travelled widely to boxing conventions and championship contests over the last decade, constantly seeking to maintain and, if possible, improve standards of administration, with the welfare of boxers his first priority.

Shortly before his death, Hopkin received a letter from the president of the World Boxing Council, José Sulaiman, which said the annual award presented to the WBC Commissioner of the Year (the world-wide administrator of the year) was to be named after him.

Bob Mee

David Armand Hopkin, magistrate and boxing administrator; born 10 January 1922; called to the Bar, Gray's Inn 1949; Member of Staff, Director of Public Prosecutions 1950-70; Metropolitan Stipendiary Magistrate 1970-92; Chief Metropolitan Stipendiary Magistrate 1982-92; Chairman, British Boxing Board of Control 1983-91; President 1991-97; K 1987; married 1948 Doris Whitaker (one son, three daughters); died London 21 August 1997.



Hopkin: fair dealing

DEATHS

DEANE: Ronald, illustrator and stamp designer, wife of Iain Deane, died peacefully at her home in Colcaita on 10 September, after a long illness. Details from her daughter Fenella Gentleman, 5 Tedegar Square, E3 5AD, 0181-983 3399.

MEMORIAL SERVICES

BEST: A Service of Thanksgiving for the life of His Honour Giles Best will be held in the Abbey Church of the Blessed Virgin Mary, Sherborne, at 2.30pm on Saturday 11 October.

NICHOLLS: A service of thanksgiving for the life of Professor Donald Nichol will be held at the Church of

Births, Marriages & Deaths

the Immaculate Conception, Farm Street, London W1, on Friday 20 September at 2.30pm.

Announcements for GAZETTE BIRTHS, MARRIAGES & DEATHS should be sent in writing to the Gazette Editor, The Independent, 1 Canada Square, Canary Wharf, London E14 3DL. Tel: 0171-253 2911 or faxed to 0171-253 2918. Charges are £2.50 a line (VAT extra).

Birthdays

Ms Maria Aiken, actress, 52; Sir Lindsay Alexander, former deputy chairman, Lloyds Bank, 77; Mr Nicholas Barter, principal, Rada, 57; Miss Chilli Bouchier, actress, 88; Col Sir Donald Cameron of Lochiel, chief of Clan Cameron, 87; Mr Alan Cathcart, chairman, Avia Europe, 54; Vice-Admiral Sir Peter Compston, 82; Miss Linda Gray, actress, 56; Mr Wesley Hall, cricketer and politician, 60; Miss Han Suyen, doctor and author, 80; Mr Ian Holm, actor, 66; Mr Gerald Howarth MP, 50; Mr Freddie Jones, actor, 77; Mr Donald Len-

han, rugby footballer, 38; Ms Fiona MacTaggart MP, 44; Lord Milner of Leeds, solicitor and politician, 74; Mr Patrick Moran, actor, 56; The Right Rev Alan Rogers, former Bishop of Edmonton, 90; Sir Arthur Sugden, former chief executive, CWS, 79; Sir Gervais Walker, former chairman, Avon County Council, 77; Mr Max Walker, cricketer, 49; Miss Rachel Ward, actress, 40; Professor George Zarnacki, art historian, 82.

Anniversaries

BIRTH: Herbert Henry Asquith, first Earl of Oxford and Asquith, states-

man, 1852; Maurice Chevalier, entertainer, 1888; Frederick Louis MacNelson, poet and broadcaster, 1907; Deshaie Dr Peter Mark Rogoff, lexicographer, 1899; Leonid Nikolaevich Andreyev, novelist, 1919; Robert Trill Spence Lowell, poet, 1977; Anthony Perkins, actor, 1992; Raymond William Stacy Burr, actor, 1993. On this day: Eton College received its first charter, 1440; the marriage took place of Winston Churchill and Clementine Huxley, 1908; a military coup deposed the Emperor Haile Selassie in Ethiopia, 1974. Today is the Feast Day of St Adhbe, St Eanswida and St Guy of Anderlecht.

Lectures

National Gallery: Helen Weston, "18th-Century France (2): Antoine Watteau, painter of modern life", 1pm.

Tate Gallery: Barry Martin, "Mondrian Exposed", 1pm.

Woolwich plc

The Governor of the Bank of England, Mr Eddie George, was guest of honour at the 150th anniversary dinner of the Woolwich, held last night at the Royal Artillery, Woolwich. Sir Brian Jenkins, chairman of Wool-

wich plc, presided and Mr Alan McIntosh also spoke.

Appointments

Professor Alfred Smyth, Master of Keynes College and Professor of Medieval History in the University of Kent at Canterbury, will be Warden of St George's House, Windsor Castle, from 1 January 1998.

Synagogue services

Details of synagogue services to be held tomorrow may be obtained by telephoning the follow-

ing. Sabbath begins in London at 7.08pm.

United Synagogue: 0181-242 9989. Federation of Synagogues: 0181-262 2268. Union of Liberal and Progressive Synagogues: 0171-589 1662. Reform Synagogue of Great Britain: 0181-249 2731. Spanish and Portuguese Jews: 0171-289 2873. New London Synagogue (Masorti): 0171-328 1024.

ROYAL ENGAGEMENTS

Princess Margaret, 66, and Lord James Hervey, 66, will be married at the Royal Chapel of St James's Palace, London, on 11 October. The ceremony will be broadcast on television.

Changing of the Guard

The Household Cavalry Mounted Band will play at the Changing of the Guard ceremony at Buckingham Palace, London, on 11 October. The ceremony will be broadcast on television.

business & city

FINANCIAL JOURNAL
OF THE YEAR

Business news desk: tel 0171-293 2636 fax 0171-293 2098
BUSINESS & CITY EDITOR: JEREMY WARNER

BTR opts for £2.8bn disposal programme

Magnus Grimond

BTR yesterday moved decisively to turn its back on its conglomerate past after announcing plans for a massive disposal programme involving nearly one-third of its £9.5bn annual sales to leave the business focused entirely on its engineering activities.

The move, which will be accompanied by a "substantial" repayment of capital to shareholders, marks the final unravelling of the sprawling group covering around 1,000 businesses put together by Sir Owen Green, who, like Lord Hanson, created one of the most dynamic and acquisitive conglomerates of the 1980s.

But BTR appeared to run out of steam in the early 1990s and the latest sell-off is the second phase of a revitalisation programme initiated by Ian Strachan, chief executive, who was brought in to turn the group around. He has already disposed of businesses with around £2bn of sales since unveiling a £622m restructuring a year ago and last month announced that Robert Bauman, the chairman of British Aerospace, would take over BTR's chairmanship from next May.

The latest plans were warmly received by the stock market yesterday. BTR's shares, which had fallen by one-third since Mr Strachan's arrival, jumped 15p to 234p yesterday, adding more than £600m to BTR's market value, although they remain well below the peak of 407p hit in 1993.

Mr Strachan said that, with most of the original plan to dispose of £2.3bn of turnover complete, he was moving to accelerate the transformation of BTR. He was focusing on engineering because those businesses have the greatest potential for value creation for shareholders, given their leading positions and good growth prospects. Sales in the engineering businesses have grown at a compound rate of 16 per cent over the past five years, against 11 per cent for the operations being sold.

The group will end up with four businesses in automotive products, where it has a commanding position in sealing and anti-vibration systems, control systems, including batteries and meters, power drives and specialist engineering. The rest, covering a range of operations from glass and plastic packaging, through building products to laminates like Formica, are

expected mostly to have been sold by the end of next year.

Some observers believe the new chief executive has bowed to pressure from the City to take more radical action to deal with BTR's problems than was unveiled last year. But he said yesterday: "In the 12 months since we announced it, we have made considerable progress and this is the logical extension of it."

He also played down any suggestion of friction with BTR's investors. "There is a continuing dialogue with the shareholders and, on the basis of the fact that they are the owners of the business, we listen to what they say. But they generally remain supportive of the strategy of focusing on growth."

One shareholder injected a note of caution yesterday, saying the sale of so many businesses would be "a huge task." He added: "We don't want a fire sale after all these years. This is always a temptation when management just decides to get shot of businesses."

One analyst suggested Mr Strachan had bowed too far to City opinion. "It smacks a bit of policy on the hoof," he said. "It smacks a bit of giving the City what it wants and the City loves action."

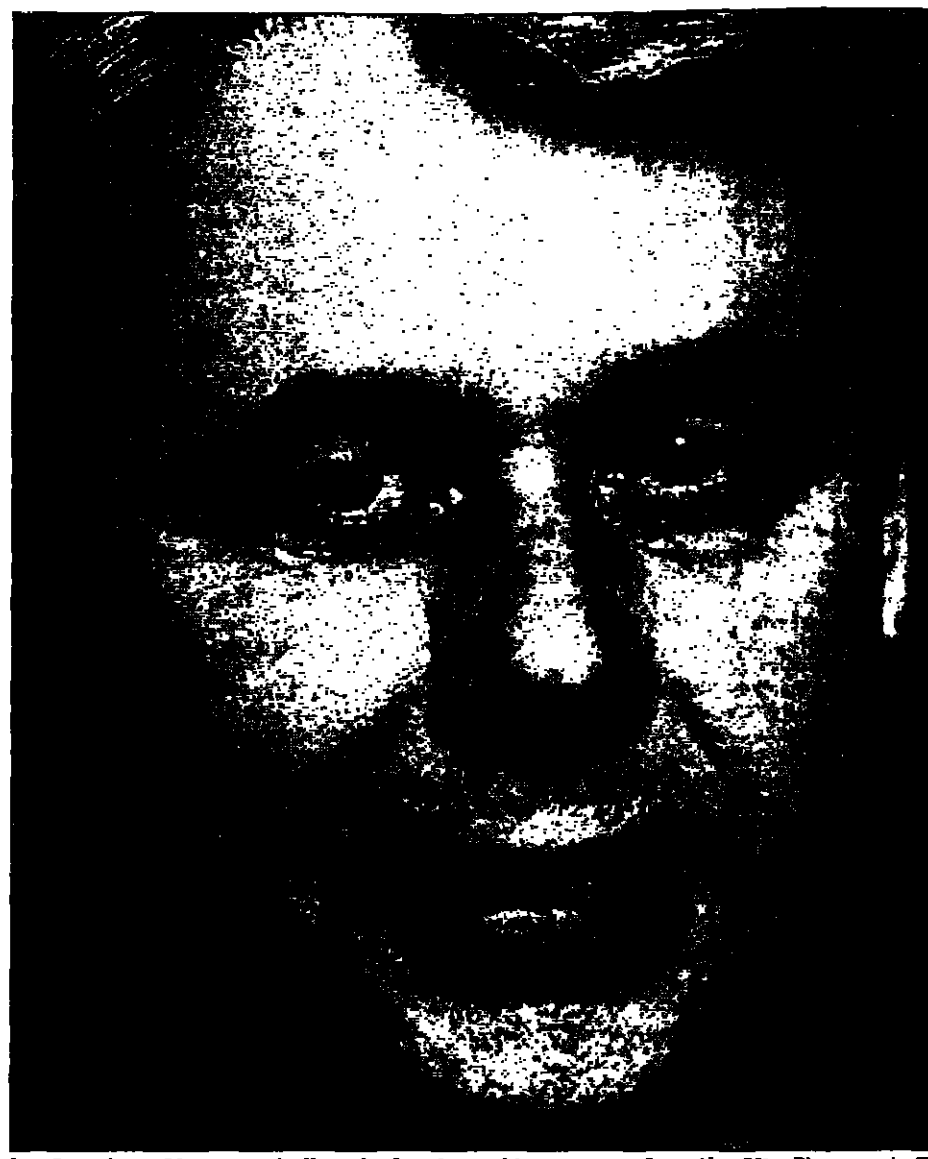
However, other analysts were more sanguine, suggesting that the planned moves could not lead to a re-rating of BTR's shares. Geoff Allum at Henderson Crosthwaite said: "I have always felt what Strachan was trying to do was the right thing. The only question was how long it would take him to get on and do it. He has accelerated that pace dramatically today."

Assuming proceeds from disposals come somewhere in the range £3.5bn and £4bn, he forecast that the shares could now go to between 280p and 320p.

The restructuring announcement accompanied interim figures showing pre-tax profits of £540m for the six months to June, up from £4m in the comparable period, which was hit by the provisions for the original restructuring programme.

Despite being earlier forewarned by a profit warning, analysts were disappointed with the results. The strength of sterling and trading effects, but even stripping out exchange effects and exceptional items, profits slipped 5.7 per cent to £534m. The interim dividend is held at 4p, but the group forecast a better performance in the second half.

Comment, page 21



Ian Strachan: Observers believe he has bowed to pressure from the City. Photograph: FT

Gas price cuts will leave 3m customers in the cold

Chris Godsmark
Business Correspondent

Some 3 million low income households are to be excluded from price cuts by British Gas next year, which will knock £28 off average bills for its remaining 16 million customers.

Centrica, the demerged British Gas supply business, has limited the £28 cut to the 6 million homes that pay bills by direct debit and a further 10 million that settle bills within 10 days. The 3 million low income homes left out of the reductions, of which 1 million have pre-payment meters, will instead receive a only a price freeze when the cuts start on 12 January.

The move means those excluded will get almost no benefit from the reduction in pipeline charges in the new price formula for Transco, part of the former British Gas, or from the abolition of the gas levy announced in the Budget. The levy, which disappears in April, was a special tax on old North Sea gas contracts.

Roy Gardner, Centrica's chief executive, defended the cuts, arguing pre-payment households were already subsidised. Although Centrica has a legal duty to pass on the cuts, it can decide how it implements the reductions. "We currently charge pre-payment customers less than they cost us. It's an industry-wide problem," responded Mr Gardner.

The Gas Consumers' Council called for an urgent investigation by Ofgas, the industry watchdog and the Government. "We believe this represents a significant worsening of their position," said Sue Slippman, GCC director.

Last night Eastern Natural Gas, one of the largest independent suppliers, said the reductions had been implemented unfairly by Centrica. Jim Whelan, Eastern's managing director, said: "I would have thought it would have been applied to all customers. These cuts are not the result of competitive pressure."

About £14 of the £28 saving came from the reduction in pipeline charges, following Transco's defeat at the hands of the Monopolies and Mergers Commission.

Centrica yesterday unveiled losses of £216m for the first six months of the year, up from losses of £53m during the same period in 1996. The figures included a £192m charge to cover the windfall utility tax and a £75m reduction in earnings due to the warm spring weather.

Why 'focus' has become the business mantra of the age

Roger Trapp

BTR's decision to sell off £2.8bn worth of non-engineering businesses is the latest manifestation of a trend that has been continuing for some time. Diversification is out and focus is in. Though we have recently seen the arch-conglomerate Hanson split itself into four, ICI spin off its pharmaceutical interests into Zeneca and Williams concentrate on fire and security products, it is tempting to see this as another turn of the management fad cycle. After all, we have seen focus, or "sticking to the knitting", as it was once known, pushed before, only for companies to opt for diversification once more in the interests of balancing their exposure to sectors or countries.

This time, though, say the break-up proponents, it is different. This is partly a response to changes in Britain at least, to the accounting regime. The Accounting Standards Board under Sir David Tweedie has pretty much outlawed the "kitchen sink" provisions and extraordinary items that acquisitive companies used to

obscure the true costs of their spending sprees.

But much more important is the move towards globalisation that has made the world a much more complex place in business terms. Where previously, the arch predators were able—in the management jargon—to make

a "core competence" out of running any kind of company, it is now almost impossible for them to do that with any kind of conviction. It is for this reason, suggests David Sadtler, a consultant and co-author of the recent book *Break-Up!*, that Greg Hutchings' Tomkins is

just about the last hold-out of old-style conglomerates.

With nimble companies emerging all the time to exploit highly profitable niches, few widely diversified companies can give the attention required for effective competition to all their various segments. Instead,

they need to decide on what distinguishes them from their rivals and concentrate on that to the exclusion of all else.

Because investors recognise this, conglomerates find themselves unable to gain the institutional backing to do the deals on which they depend, and can

generally only win approval if they decide to go in for share buy-backs.

However, these same people must have been disappointed by the amount of money released to them via the various spin-offs and demergers. Managers and advisers have echoed the claims

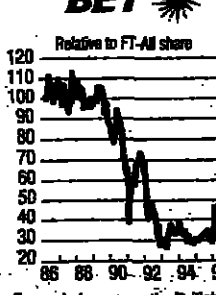
in *Break-Up!* about the value locked up in these companies, often through expensive headquarters operations, only for many of the newly independent entities to produce poor returns. Unless, of course, like the former Hanson constituent, Energy Group, they are quickly pounced on by another predator.

And that is the final factor that needs to be borne in mind before the end of the conglomerate is celebrated. Its demise does not mean that the era of the large company is over.

Rather, as the planned mergers of Guinness and Grand Metropolitan and of BT and MCI demonstrate, large companies are likely to become even larger. It is just that where they were previously spread across various businesses they will now be focused on one industry and seeking to dominate it through achieving as much market share as they are allowed. And they will seek to ensure they keep their options open—not through outright purchases but through developing complex systems of partnerships and strategic alliances.

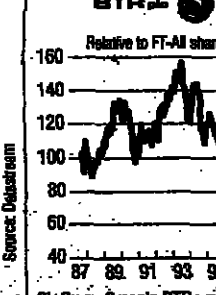
How the conglomerates underperformed and fell out of fashion... except for one

BET



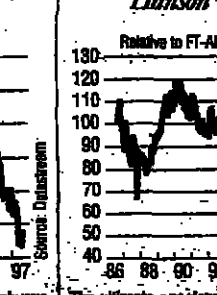
Formerly known as the British European Tobacco Company, BET's origins date back to 1987 when it was formed by the merger of British American Tobacco and Imperial Tobacco. The company was a classic conglomerate, with interests in tobacco, food, and other industries. It was eventually sold off by Hanson.

BTR



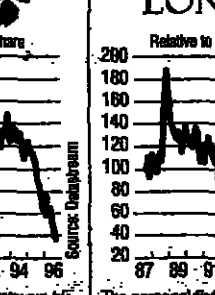
Mr Owen Green's BTR was always the acceptable face of the conglomerate, serving as a platform for the sale of other businesses. It was eventually sold off by Hanson.

Hanson



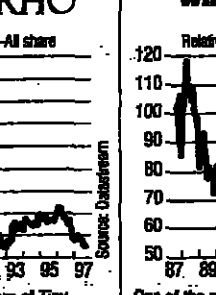
The ultimate conglomerate run by the late Sir Owen Green, Hanson was a classic example of a conglomerate that diversified into many different industries. It was eventually sold off by the City.

LONRHO



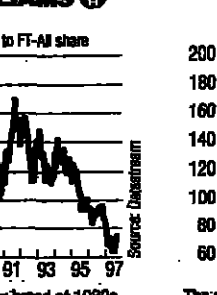
The personal fiefdom of Sir Richard Branson, LONRHO was a classic example of a conglomerate that diversified into many different industries. It was eventually sold off by the City.

WILLIAMS



One of the new breed of 1980s conglomerates formed by Nigel Rudd and Brian McGowan, Williams & Morrow was a classic example of a conglomerate that diversified into many different industries. It was eventually sold off by the City.

OMKINS



The guns 'n' horns conglomerate, so called because it makes everything from Heston & Koch (magazine guns) to Mr Kipling (toys), OMKINS was a classic example of a conglomerate that diversified into many different industries. It was eventually sold off by the City.

Wood new chief of Sheffield Wednesday

Andrew Yates

Sheffield Wednesday, the Premier League football club, has moved closer to a flotation on the stock market by appointing Ian Wood, the former head of First Leisure's sports division, as its new chief executive.

Mr Wood took up his duties at the start of the week. The club has not revealed what he will be paid but he is thought to be in line for bonuses and share options if he can float the club.

Sheffield Wednesday yesterday sent its shareholders details of its financial results for the year to 31 May. The club made a loss of £3.2m after splashing out more than £4.3m on transfers, including last season's £3.5m purchase of Benito Carbone, the Italian football star. The club returned to the black at the operating level, making a profit of £1.84m compared to a loss of £716,000 last year.

Charterhouse Development Capital, the venture capitalists, became the largest shareholder in Sheffield Wednesday last May, paying £15.6m for a 36 per cent stake in the club. The club has used the cash to buy new players such as Paolo Di Canio, another Italian import, from Celtic. Manager David Pleat has been told he has more money to spend on players.

Geoff Arbuthnot, of Charterhouse Development, said: "This new appointment brings us closer to a flotation."

Mr Wood headed First Leisure's bowling and health and fitness business. His exit is one of a growing number of management changes at the leisure group in the wake of the appointment of Michael Grade, the former head of Channel 4, as chairman. Chief executive John Condon and Nick Bambyn, who was in charge of the bingo division, have both left.

Alarm at slump in Japan's economy

Diane Coyle
Economics Editor

New figures showing the sharpest contraction in the Japanese economy for 23 years, along with plummeting share prices in Tokyo, Hong Kong and Jakarta, sent a ripple of alarm across the world's stock markets yesterday.

The collapse in the Japanese economy during the second quarter of this year—described as "frightening" and "appalling" by economists—ensured that the crisis in Asia will dominate the meetings of the G7 finance ministers and the International Monetary Fund starting in Hong Kong next week.

Gordon Brown intends to emphasise the need for openness in economic policies at his first IMF meeting. The recent events in Asian financial markets, which have been blamed partly on inadequate information, have made the Chancellor's planned remarks more

relevant, according to Treasury officials.

Mr Brown, with other EU finance ministers, will meet many of their Asian counterparts in Bangkok in advance of the G7 and IMF sessions. Officials said this would be an opportunity for a genuine exchange of views on the lessons to be drawn from the handling of the current crisis.

There was scant sign of stability in the region's currencies

and stock markets yesterday.

Tokyo's Nikkei index lost 423 points to end at 18,282. Hong Kong's Hang Seng index also

dived, shedding 497 points to 14,308.

In London the FTSE 100 index ended 50 points lower at 4,854. By mid-morning the Dow Jones index was down 94 points to 7,625, while the dollar jumped to ¥120.

Yesterday's figures showed that Japan's GDP declined by 2.9 per cent in the second quarter of the year, the biggest fall since a 3.4 per cent drop early in 1974.

Consumer spending dived by 5.7 per cent, and private investment fell by 1.5 per cent. Exports are the only expanding area of the economy.

Koji Omi, the economic planning minister, said the fall in GDP was temporary, reflecting an increase in sales tax in April. "The gradual recovery trend led by domestic demand remains intact," he said.

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Asian crisis 'need not hinder growth'

Manila — A new World Bank report claimed yesterday that the East Asian financial crisis would not hamper the region's record of strong growth as long as structural economic reforms were made, writes Stephen Vines.

"Taking issue with some Asian leaders, primarily Malaysia's Prime Minister, Mahathir Mohamed, Stijn Claessens, the report's main author, said he did not think that international speculators and hedge fund managers were responsible for

the turbulence in Asian currencies and stock markets.

"On the contrary," he said, "in some cases they have supported these currencies." He argued that the general pessimism about Asian markets was more than the fundamentals warranted, and said some fund managers were coming back.

Even so, the report gives plenty of grounds for pessimism. At the heart of the region's problems, it says, lies a mass of bad debt and low-grade lending by banks.

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British Energy to buy nuclear stations in US

Chris Godsmark
Business Correspondent

British Energy yesterday unveiled its biggest expansion since privatisation last year, with a venture to buy and operate several nuclear power stations in the US.

The nuclear group has formed a joint venture business to acquire the stations, called AmerGen, with its US partner, the Philadelphia utility group Peco Energy.

Rolf Omi, the economic planning minister, said the fall in GDP was temporary, reflecting an increase in sales tax in April. "The gradual recovery trend led by domestic demand remains intact," he said.

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in Australia. Mr Jeffrey said one of the reasons for the switch to nuclear acquisitions was the high price of fossil fuel generating capacity. "Fossil generation at the moment is a seller's market," he said.

British Energy will use its expertise gained from boosting the performance of its reactors. Since the sell-off last year the output of its gas-cooled stations, and the Sizewell B pressurised water reactor, have exceeded analyst expectations.

The company expected to say how much cash it expected to inject into AmerGen, or the liabilities it would take on from buying power plants. Mr Jeffrey said British Energy's investment would depend on the age of the stations acquired and their future decommissioning costs.

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STOCK MARKETS					
Index	Close	Day's change	Change (%)	1996/97 High	1996/97 Low
FTSE 100	4805.20	-45.30	-0.9	5086.80	4056.00
FTSE 250	4864.70	-12.30	-0.3	4729.40	4386.20
FTSE 350	2358.10	-18.80	-0.8	2438.00	2017.90
FTSE SmallCap	2281.17	+1.52	+0.1	2374.20	2178.29
FTSE All-Share	2318.01	-17.10	-0.7	2376.39	1989.78
New York	7732.44	-59.47	-0.8	8259.31	6032.94
Tokyo	18704.77	+8.80	+0.0	20881.07	17303.85
Hong Kong	14805.44	-191.22	-1.3	16673.27	12056.17
Frankfurt	4050.14	-44.25	-1.1	4438.93	2848.77

INTEREST RATES					
Short sterling	UK medium gilt	US long bond	Money Market Rates	Bond Yields	
1 Month	1 Year	3 Month	1 Month	1 Year	3 Month
5.00	7.00	5.00	5.00	7.00	5.00
5.00	5.50	5.00	5.00	5.50	5.00
5.00	5.00	5.00	5.00	5.00	5.00
5.00	5.00	5.00	5.00	5.00	5.00

CURRENCIES							
<p>£/\$</p>	<p>£/DM</p>	<p>£/¥</p>					
<p>Other Bank exchange rates and US Dollar Day of 1984</p>							
Pound							
	Yesterday	Change	Year Ago				
£ (London)	1.5863	-0.42c	1.56				
£ (N York)	1.5886	-0.12c	1.5686				
DM (London)	2.8577	-2.28c	2.3271				
¥ (London)	189.00	-70.373	170.191				
3M Index	99.9	-0.5	85.8				
Dollar							
	Yesterday	Change	Year Ago				
£ (London)	0.6304	+0.17	0.6410				
£ (N York)	0.6295	-0.03	0.6412				
DM (London)	1.8015	-0.96c	1.4918				
¥ (London)	119.145	+70.08	108.100				
3M Index	105.6	-0.8	98.5				
OTHER INDICATORS							
	Yesterday	Day's Chg	Year Ago	Index	Yr Chg	Yr Ago	Most Favs
Oil Brent \$	18.35	-0.09	22.48	FFI	+3.50	152.4	07.04
Gold \$	321.20	-0.55	393.55	GDP	+3.40c	108.1	24.04
Gold £	202.54	+0.18	245.67	Base Rates	7.00p	-	5.75

business

United Biscuits narrows its focus

THE INVESTMENT COLUMN

EDITED BY MAGNUS GRIMOND

United Biscuits has become so used to making headlines for the wrong reasons that it was "deliberately boring" yesterday. The company and its chief executive, Eric Nicol, have certainly been through the mill in the past few years - the McVities and KP crisps group has been relentlessly pursued by powerful competitors such as PepsiCo, the makers of Walkers Crisps.

The effect on UB has been a share price that has underperformed the market by 60 per cent over the past five years. Yesterday's 5.5p fall took the stock to a five-year low of 198p.

To its credit, the company has taken tough decisions. It pulled out of the United States when the Keebler operation was sold two years ago. Since then it has also sold nine other businesses, mainly in continental European snacks, and rationalised its manufacturing base through eight factory closures. Other disposals are expected in low-margin areas such as UK snacks and continental businesses, though there are no immediate plans and buyers may prove thin on the ground.

The strategy going forward is to concentrate firepower on fewer key brands, such as Hobbs Hoops, Skips and Penguin, while driving forward more recent launches such as the McVities Go Ahead range of low-fat snacks.

The portfolio has certainly been strengthened. Two years ago, 40 per cent of UB's sales delivered a return on capital employed of 5 per cent or under. But after disposing of businesses with £1bn of sales, just 5 per cent of turnover is now in that category. By contrast, more than three-quarters of the group's business returns more than 20 per cent on capital employed.

While it is difficult to fault the strategy, the criticism is that it is taking a long time to feed through to results. Profits before exceptional items in the six months to 12 July were flat at £45m and the company is struggling to drive growth. Sales fell by 3 per cent at constant currency rates and the company admits there is unlikely to be any top line growth in the second half. All this means UB is relying on efficiency improvements to improve the bottom line. So while the City had been hoping that UB was moving into the recovery phase, the best it can look forward to is another year of consolidation.

The geographic picture is also still very mixed. UK snacks and biscuits profits were flat, but crisps sales fell, with own-label business particularly weak. In Asia Pacific, profits were wiped out by a price war in Australia, where PepsiCo's Frito Lay is attacking UB's dominant share in the grocery sector.

Problems take shine off Rio Tinto

Rio Tinto, the mining group which used to be called RTZ, has suffered some unaccustomed hiccups over the past year or so. The Sumitomo scandal, which saw copper prices slump last year, was not of the group's making, but a range of other problems closer to home have taken the shine off the group's normally slick image. Coinciding with the integration of CRA, the Australian associate with which it merged last year, the shares have underperformed the market by 16 per cent since the beginning of 1996, dropping 29p to 996p yesterday.

The cause was probably disappointment over the interim dividend, which has effectively been cut as a result of Rio's decision to declare its re-

sults in dollars. So although the group announced a flat payout of 16.5 cents yesterday, the gain in the value of the pound since last year means that the sterling equivalent of the payment has been cut 2.2 per cent to 10.37p.

But Rio is also trying to rebuild cover, which was 1.5 times in dollar terms last year. Exchange and cover will reverse in time. More important is the outlook for earnings, which, rising 9 per cent to \$975m (\$599m) at the pre-tax level, were broadly in line with expectations in the six months to June.

There are grounds for hope there. Rio appears to be getting to grips with the high costs in Comalco, the Australian aluminium operation. It is also taking a hard line over its coal operations in New South Wales. In total, cost savings following the CRA merger should be running at their full rate of \$250m by next year.

Thicker to call is the Kennecott smelter at the Bingham Canyon mine in Utah. Lost profits could be as much as \$100m this year, after \$150m in 1996. The effects of Rio's rising output were clear from the interim figures, with higher gold and copper production at Kennecott and capacity increases at the Escondido mine in

Chile feeding into a £144m earnings uplift from sales volumes. That momentum should be maintained into the second half, with higher copper prices to boot. The real clouds come from the Far East, in the extent of Chinese buying of copper and how much demand is lost if growth falters in the tiger economies. Full-year earnings of \$1.4bn would put the shares on a forward p/e of 16. Hold.

Coats in need of major surgery

Coats Viyella, the troubled textiles group, has fallen apart at the seams over the past few years. Terrible first-half results yesterday saw its shares tumble another 13p to 108p, having fallen from 164p a year ago and 283p in 1994.

In the past five years the shares have underperformed the stock market by more than 70 per cent.

Pre-tax profits fell 12 per cent to £41.5m in the six months to June. The figures reveal a catalogue of woes. The spring collection at Jagger, the normally reliable fashion label, flopped. A downturn in the Russian fashion market whacked margins on sales of Berghaus clothes and Coats' contract clothing business, which supplies M&S, was disrupted by a continuing restructuring program. To cap it all, the strong pound wiped £6m off operating profits.

There is no easy solution to Coats' many problems. The second half is likely to see some sort of improvement, but not much of one.

Mike Ost, the new chief executive, faces an uphill struggle to pull the group out of the mire. In his short tenure he has already accelerated Coats' belated restructuring programme, which will cost the group up to £30m a year, compared to an original budget of £10m. But the group is in need of more fundamental surgery.

Mr Ost is to announce his future strategy by the end of the year. He will have to reveal a raft of disposals or a break up of the group via a demerger to restore any sort of investor confidence.

House broker BZW has slashed its current year profits forecast from £140m to £92m to reflect the rise in restructuring charges and the poor prospects for the second half. That puts the shares on a prospective p/e ratio of 13. Coats should also maintain its dividend at 8.8p, to give a forward yield of more than 10 per cent. Even so the shares look high enough.

Limelight disaster continues with new profits warning

Nigel Cope
City Correspondent

Limelight, the Mobern kitchens and Dolphin bathrooms group, which has been one of the worst new issues of recent times, continued its disastrous run yesterday when it issued a fresh profits warning and said it would not be paying an interim dividend.

Limelight shares lost more than 40 per cent of their value, closing 27p down at 37.5p. They were priced at 175p when the company was brought to the market last November with NM Rothschild acting as its financial adviser and Cazenove, the blue-blooded City firm, acting as broker.

Some institutions noted that Rothschild was also adviser to Aerostuctures Hamble, the engineering business chaired by Lord King, which issued a series of profits warnings after coming to the market in 1994. It was eventually taken over a year later

at a fraction of the issue price. In that case there were threats of litigation from institutions though it never materialised.

It is possible that there could be a Stock Exchange investigation into the performance of Limelight shares, though the exchange refused to comment yesterday. "It is a disaster," said one institutional investor. "It may be one for the regulators."

Limelight blamed the latest warning on "unprecedented decline" in appointments at its Mobern kitchen showrooms in the first quarter which caused sales to drop by a third in the first three months. The Portland conservatory business was also affected by local competition.

Stephen Cotter, chief executive, admitted the performance was poor but said he had not been subjected to any pressure from institutions for boardroom changes. "We are devastated as the shareholders. But no one could have foreseen these massive decreases."

Stephen Boler, the Cheshire entrepreneur who developed the company and made £60m from the float, still owns 17 per cent of the company saying he has no intention of returning to an executive position or of taking the company private. Reporting a slump in first-half operating profits from £3.1m to £700,000, Limelight said sales at Mobern-Kitchens Direct, Dolphin Bathrooms and Portland conservatories had all fallen sharply. Only Sharps bedrooms recorded a sales gain. Dolphin and Portland slumped into a loss in the period.

Mr Cotter said trading had increased since the end of the half year with overall group sales in the first nine weeks up by 5 per cent on the same period last year. However he admitted that a kitchens and bathrooms company should be seeing more benefit from the £30m of building society windfalls.

L&G assets boosted by £3.7bn of new money

A record £3.7bn of new money from customers flooded into L&G's General in the first half of 1997, according to figures released with the insurer's results yesterday.

The influx of new money, which was £500m higher than the previous half-year record, helped boost assets under management at L&G to £54.6bn.

Operating profits rose 15 per cent over the period to £155.1m with world-wide new equivalent premium income, which measures new regular premiums plus 10 per cent of single premiums, rising by 16 per cent.

David Prosser, chief execu-

tive, said the results demonstrated the strength of L&G's core business and while the performance would be difficult to replicate, he said the second half was progressing well.

UK business led the way in the first six months with equivalent premiums rising 24 per cent and new individual business by 49 per cent.

UK life and pensions operating profit rose to £115.3m from £103.4m previously, while UK general insurance profits increased from £9.7m to £10.1m.

The strength of sterling over the past 12 months, however, helped cut overseas life and pensions profits by £1m to £19m.

Mr Prosser said competition remained tough and attention was focused on driving down expenses. Unit costs at L&G have fallen by 25 per cent since 1993.

Analysts said full-year profit forecasts may have to be cut slightly since the results were a shade below expectations.

The interim dividend is being increased by 14 per cent to 4p, a rise that reflected the benefits of changes made last year to the operation of L&G's long-term fund.

The changes provide a basis for transfers from the insurance fund, described by Mr Prosser as the "flywheel of dividend growth".

Booker profits hit by strong pound

Nigel Cope

Booker, the cash and carry group which acquired the rival Nurdin & Peacock group last year, disappointed the market yesterday with lower profits hit by a fall in salmon prices and the effects of the strong pound. Charles Bowen, chief executive, said that if sterling continued at current levels it would knock £7m from full year profits.

Booker shares fell 29.5p to 287.5p as analysts downgraded

their profit forecasts. However, Mr Bowen was upbeat about the performance of the cash and carry operation and said the integration of Nurdin & Peacock was ahead of schedule.

Additional costs have been taken out of the business and Mr Bowen said Booker would fulfil its pledge of paying down £100m of debt by the end of 1998. Debt at the half year was £382m, unchanged from last full year.

Mr Bowen said Booker was considering the future of 22

more depots but said jobs lost in any further closures would be offset by jobs created as the company completes its move towards central distribution.

Group pre-tax profits before exceptional items fell from £24.7m to £22m. The dumping of Norwegian salmon and the strong pound caused UK agribusiness profits to fall from £10m to £3m. The company has set up joint ventures to open cash and carry operations in Thailand and Malaysia.

Vickers seeks £100m from medical sale

Chris Godsmark
Business Correspondent

Vickers, the Challenger tanks to Rolls-Royce cars group, hopes to raise £100m from the sale of its loss-making medical equipment businesses.

Announcing the sale yesterday, Sir Colin Chandler, chairman, moved to curb speculation of a break-up bid for Vickers by companies such as British Aerospace or GKN, insisting that no

discussions had taken place with potential predators.

"We've had no approaches. There's no truth in that whatsoever," said Sir Colin. Both GKN and yesterday, BAE, have also denied the rumours.

Sir Colin said Vickers had already received several expressions of interest about the medical division from potential buyers. "We are looking for a single purchaser but there's not one out there yet. We wish there was."

Three medical businesses are left in the group, together employing about 500 staff. The biggest of the companies makes intensive care incubators in the US.

Vickers yesterday revealed that the medical division slipped further into the red in the first half of the year, losing £4.6m, compared with £200,000 during the same period in 1996. Around £3.6m of the losses came from the reduction in stock values.

Vickers' headline profits in the first six months of the year fell by more than half, from £31.8m to £15m. Most of the drop came from a £12.5m provision to cover losses on the sale of another loss-making medical business, S&W, which makes monitors.

Sales of Rolls-Royce and Bentley cars rose 13 per cent, but a drop in demand for the most exclusive limousines contributed to a fall in operating profits from £13.5m to £9.8m.

Sir Colin repeated that Rolls-Royce was not for sale, despite the continued interest from BMW, the German car group which supplies the Crews-based company with engines and other components. "We've got no thoughts of selling it for some time, if at all. BMW would love to buy it."

Sir Colin said the long-awaited replacement Rolls-Royce, the first since 1980, would arrive before 2000.

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Former Foreign Secretary goes in to bat for Britain once more

PEOPLE & BUSINESS



Lord Hurd: Taking the chair at British Invisibles

Lord Hurd of Westwell, the former Foreign Secretary, is going into bat for British Invisibles as its new chairman. At the same time BI is proposing to merge with another body which promotes the country's financial sector abroad, CEENET, the export promotion company run by the Corporation of London.

BI is a creature of the Bank of England, so the new organisation would represent a marriage between two big boys in the City. The unions depend on the respective members giving the go-ahead to the two bodies, although not much is likely to stop this arranged marriage.

Whether this will give Lord Hurd more clout than his other job as a director of NatWest Group depends on your point of view. In fact the bespectacled Old Etonian is already deputy chairman of BI. He will replace Sir Brian Pearce, about whom I have already written an inordinate amount this week.

Over in Threadneedle Street, Eddie George is happy to give his blessing to the marriage, saying that BI and CEENET together will provide "a solid foundation on which an effective and efficient promotional effort for the financial services sector can be based".

BSM, the company that used to be called British School of Motoring, is launching the country's first commercially available learner driver simulator, which will teach novice drivers the basic skills before they are unleashed on the public highway.

Now learners can run over

virtual dogs, reverse on to computer-generated pavements and attempt to drive off with the handbrake still on to their hearts' content, secure in the knowledge that the rest of us are safe.

BSM's chief executive, Richard Glover, is euphoric: "The new simulator is great news for learner drivers. It takes away those nervous moments when you are sitting in the driver's seat for the first time faced with what seems like dozens of controls and the daunting challenge of actually getting the car moving."

The machine was designed by the French aircraft simulator specialists Faros. The makers claim you get a

real sensation of driving, with instructions fed in by an "intelligent" voiceover. Does this mean the behind you still gets car sick? Will the machine inform you smugly that "you just missed the turnoff"? The five-hour course for £75 might help reverse Britain's soaring divorce rates.

"Raising the Bar" is a talk by Ken Clark to be delivered next April, according to a brochure that has just plopped on my desk. Something about drinking it dry, perhaps? No, it's not Ken Clark, the former Chancellor and new chairman of UniChem, but Ken Clark, a personal financial adviser of 40 years' standing, who is delivering the speech to the Life Insurance Association convention in Birmingham next year.

Mr Clark's speech will deal with knotty issues including "How competitive are you? Do you set yourself goals? Do you raise the bar of your own expectations?" I suspect Mr Clark's talk would have been more fun.

Phillimore has advised various companies on international strategy.

Railtrack is moving to push new offices at London's Euston Station over the next fortnight, an excited press spokesman tells me. The privatised company has spent £7m on the refurbishment of the office block. The move will bring together 900 staff from eight former sites around the capital, and its 14 floors will all be open plan - apart from the offices of Sir Bob Horton and his fellow board directors, of course.

With the EBRD "gold taps in the loo" scandal obviously in mind, the Railtrack spokesman added: "We will have no marble walls or waterfalls. It will all be tastefully decorated in pastel shades. It will reflect our status as a FTSE 100 company."

United Biscuits is legendary in its generosity as far as freebies for journalists and analysts are concerned, as the food manufacturer proved once again yesterday when it announced its results at City PR outfit Brunswick. Lucky journalists tucked into packets of "Philias Fogg Authentic Tortilla" chips, biscuits, cake and "Go Ahead" low fat products (very suitable).

Coincidentally Booker, the cash and carry group, were also announcing their results at Brunswick. Charles Bowen, chief executive, obviously got a bit peckish as he was spotted paying one of the analysts £2 for his UB nibbles box.

John Willcock

Company Results

	Turnover £	Pre-tax £	EPS	Dividend
Adwest (F)	191.4m (223.6m)	14.35m (-23m)	11.4p (-30.7p)	5.5p
Arjo Wiggins Appalita (F)	1.8bn (1.8bn)	106.3m (92.2m)	8.4p (2.2p)	2.9p (2.9p)
Ash & Lacey (F)	75.3m (74m)	6.45m (4.8m)	10.3p (8.9p)	2.9p (2.7p)
Bentall (F)	46.5m (41m)	1.38m (400,000)	6.76p (0.6p)	0.7p (0.6p)
British Aerospace (F)	3.3bn (2.8bn)	-70m (189m)	-16.4p (31.2p)	7.52p (6.25p)
British Midland (F)	21.4m (23.4m)	521,000 (740,000)	2.57p (3.72p)	1.4p (1.4p)
BTR (F)	3.8bn (4bn)	540m (4m)	9.1p (-0.1p)	4p (4p)
Booker (F)	2.3bn (1.8bn)	17.2m (32.6m)	4.1p (6.2p)	8.3p (8.1p)
Brammer Moore (F)	145.7m (138.8m)	16.3m (13.8m)	14.3p (16p)	5.9p
Coats Viyella (F)	1.1bn (1.1bn)	41.5m (47m)	3.4p (4p)	3.7p (4.635p)
Consolidated Coal (F)	5.7m (1.7m)	-8.47m (-1.08m)	-21.7p (4.5p)	nil
Cortices (F)	7.7m (10.5m)	-1.7m (3.8m)	-7.9p (3.0p)	nil
Daniel Services Corp (F)	202.2m (157.3m)	16,07m (12.3m)	8.43p (7.65p)	3.73p (3.38p)
Goodland Group (F)	29.9m (25.2m)	1.53m (1.01m)	2.4p (1.6p)	0.4p (0.3p)
Headham (F)	116.4m (84m)	6.81m (4.44m)	7.5p (8.2p)	1.75p (1.45p)
Intertec (F)	11.2m (10.7m)	538,000 (402,000)	7.7p (5.8p)	1.9p (1.5p)
Jacobsen Group (F)	45.1m (36.2m)	1.81m (435,000)	4.75p (1.28p)	1.1p
Joyce (F)	59.3m (66.1m)	1.1m (1.1m)	3.5p (2.9p)	0.6p
Legal & General (F)	- (-)	155.1m (134.3m)	8.57p (7.21p)	4.0p (3.5p)
Miniroco (F)	53.1m (52.7m)	8410m (8498m)	80.35p (81.41p)	30.22p (30.21p)
National Express (F)	473.4m (205.8m)	23.5m (20.4m)	16.4p (14p)	4.9p (3.4p)
Philias (F)	53.4m (50m)	2.1m (1.42m)	7p (5.5p)	1.0p (0.75p)
Prime People (F)	1.85m (1.75m)	170,000 (23,000)	0.47p (0.06p)	nil
Rothmans Brothers (F)	24.4m (14.4m)	6.31m (4.38m)	15.38p (11.99p)	5.0p (4.0p)
Rob Thro (F)	54.57m (54bn)	8976m (8891m)	42.5c (39.5c)	16.5c
Sirhar (F)	52.8m (50m)	5.25m (5.91m)	7.8p (6.92p)	3.7p (3.7p)
Sytron-Sarco (F)	- (-)	22.27m (21.82m)	17.4p (16.6p)	4.0p (4.5p)
Tractor Network (F)	6.8m (5m)	451,000 (-164,000)	8.3p (-1.21p)	nil
United Biscuits (F)	918.2m (1.04bn)	13.7m (42.8m)	0.8p (5.5p)	3.5p (3.5p)
Victoria (F)	567.9m (553.8m)	15m (17.8m)	1.9p (6.3p)	2.7p (2.7p)

(F) - Full (F) - Interim (N) - Nine months

The logic behind pulling a conglomerate apart



BTR will fail without cutting-edge technology in the industries it has chosen to focus on. To develop that, it needs to invest in a way that would not have been possible under the management-by-numbers yoke of conglomerate ownership

It is hard to imagine a more dramatic transformation of a company than the one being worked by Ian Strachen, chief executive of BTR. Described by some as a "walking management text book", Mr Strachen's brief was to inject some much needed "focus" into this sprawling industrial conglomerate. A darling of the stock market during the 1970s and the 1980s, BTR has gone nowhere throughout most of the present decade. Its battery of unrelated and diverse industrial interests have become as unfashionable as they were once fashionable.

Enter the smooth-talking Mr Strachen from Kitz. Unfortunately his first stab at the problem - to focus on businesses with the highest growth potential - seems to have been considered not focused enough by the City. BTR's share price has continued to underperform over much of the last year. So now he's going further, a lot further. On top of the £2.3bn of annual sales he's already disposed of, there now comes a further £2.8bn. The ballast already gone, Mr Strachen is proposing to throw out some prized possessions too in his bid to halt the descent in his company's share price. Out goes the relatively high-margin packaging interests. By the time he's finished - hopefully by the end of next year - he will have divested roughly half the group he inherited less than two years ago.

Whether this is enough to do the trick is anyone's guess but it is certainly true that by the time it's all over, BTR will have become a relatively coherent engineering group. Even if the

whole process fails to deliver much in the way of extra shareholder value, this will be a beast that investors can understand and get to grips with. The same could not have been said of the old BTR and other conglomerates that sprang out of the rolling 1980s.

Mr Strachen's efforts may be dramatic, but he's hardly alone in what he's attempting to do. This is the age of what has aptly been described as the "velcro company", a stick them together and pull them apart again culture of corporate endeavour. The examples of it are legion.

Having been built up from nothing in a frenzy of unrelated takeovers in the 1980s, Hanson eventually split itself into four. ICI split in two. The rumour chemicals business then disposed of its heavy industrial interests and bought Unilever's speciality chemicals business. That in turn has allowed Unilever to focus on its core consumer interests. Meanwhile Guinness is trying to buy GrandMet with the ultimate purpose, it would seem, of focusing on the two companies' branded drinks divisions and disposing of the rest.

Other than earning investment bankers and corporate lawyers a great deal of money, is there any point in it all? Ultimately there may not be, but there are certainly powerful forces driving the process. For a start it allows managements to concentrate on what they are good at. Nobody would get away these days with saying, as the big conglomerates once did, that all management is the

same whatever the business. Managers without intimate knowledge of the needs of their markets, and the ability to respond to its demands, will fail.

In BTR's case, it will fail without cutting-edge technology in the industries it has chosen to focus on. To develop that, it needs to invest in a way that would not have been possible under the management-by-numbers yoke of conglomerate ownership. Nor is it just the demands of the global market place that drive the process. It is obviously the case that a glass bottle manufacturing company of the type BTR plans to dispose of is worth more to a company already in that business than it is to BTR. So with luck there should be shareholder value in what BTR is doing, despite the market's scepticism.

Perhaps the most remarkable thing about the present trend is how different it is from what was thought to create shareholder value in the 1980s. Then the fashion was for hostile takeovers of unrelated, underperforming companies. Now the trend is for agreed deals, generally at international level, in a way that brings similar businesses in the same markets together.

It ought to be said that the logical end game of this process of global corporate restructuring is not, from a public interest perspective, a particularly edifying one. What it implies is that each industry would eventually become dominated by just a handful of industry specific companies, with alarming consequences for competition

both at a national and international level.

For most industries, however, that's a long way down the line. Those who resist the flow will find themselves left behind. Mr Strachen is undoubtedly adopting the right approach here. Yesterday's big jump in the BTR share price ought to mark a turning of the tide.

Asia will have to learn the rules

The IMF could scarcely have chosen a better place to hold its annual meeting this year. By a lucky fluke the world's financial community will be gathering in Hong Kong to put the Asian financial turmoil under the microscope. The questions to address are what caused the crisis, could it have been foreseen, could it have been prevented, and has the response been adequate?

With hindsight, the causes of this rude interruption to the East Asian economic miracle are reasonably clear. Trying to keep exchange rates fixed with an overheating economy and hot money flows sloshing around is a recipe for trouble. Protected domestic banking sectors rife with sweetheart lending deals have made the situation worse.

These are not unobvious points and they highlight the fact that recent events were very predictable. IMF officials were warning that it would happen, first privately and then publicly, for months before it actually did. Malaysia's Mr Mahathir was always

wrong to blame the likes of George Soros for this summer's plunge in his currency. Mr Soros is merely a mirror of international sentiment. He didn't provoke the crisis, he merely capitalised on it.

As the floodgates broke, the IMF trundled its post-Mexico emergency response mechanism into action. The speed with which it moved might have helped prevent a meltdown in the Thai banking system. But ultimately prevention and cure lie in the hands, not of the international community, but of the region's governments. In the end there is nothing the IMF can do to alter the policies of countries which are not borrowing money from it. It can impose economic reforms on the poor countries which are amongst its biggest borrowers, or on countries like Mexico and Thailand which seek emergency loans. But the fate of others like Malaysia and Indonesia lies in their own hands.

With the announcement of reforms like the lifting of restrictions on foreign ownership of shares and the postponement of grandiose government building projects, both countries have shown signs of reluctant acceptance of the rules of the international financial markets - including rule number one: that foreign capital only wants to come in if it can get out again. The crisis should have taught them that it is impossible to ride two horses at the same time, *dirigisme* for domestic political influence, and free market capitalism for access to foreign money. The two things just don't mix.

BAe could look to US for defence partnerships

Michael Harrison

British Aerospace hinted yesterday that it would seek to strengthen its ties with the giant defence groups emerging in the US unless the pace of consolidation of the European aerospace industry speeded up. Sir Dick Evans, BAe's chief executive, said progress towards rationalisation among Europe's leading defence companies was proving painfully slow and was dogged by political complications and practicalities.

"My own view is that if the US groups begin to have ambitions on a global scale, then that provides opportunities for us. Europe has to be in a position where we can look in transatlantic terms."

Sir Dick pointed out that BAe already had strong links with the two big US defence and aerospace groups - Lockheed Martin and Boeing-McDonnell Douglas. BAe has joined Lockheed Martin on the Joint Strike Fighter Project - the biggest procurement pro-

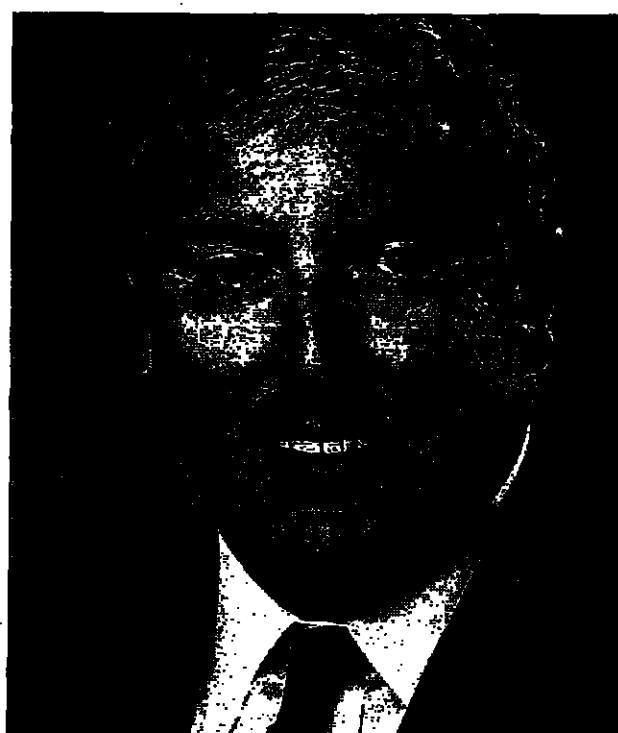
gramme in military history with a potential value of \$160bn (£100bn). It also has links with Boeing-McDonnell Douglas on the Nimrod 2000 programme, the Harrier AV8B and the T45.

However, industry observers suggested that BAe might be trying to play its European and US counterparts off against one another. BAe's preferred solution remains a regrouping of Europe's defence industry along the lines of the successful civil aircraft consortium Airbus Industrie in which BAe has a 20 per cent stake.

Airbus's contribution to BAe's results was graphically demonstrated yesterday as it emerged that it is making annual profits of about £130m from the manufacture of Airbus wings.

Profits from Airbus are set to rise further over the next few years due to increasing aircraft production and efficiency improvements. Deliveries are projected to rise from 126 last year to 180 this year and 230 next.

BAe submitted an application last month to the DTI for about



Sir Dick Evans: Worried about slow progress towards rationalisation among European defence companies

£165m in launch aid to develop a stretched version of the long-range Airbus A340. The 375-seat jet will cost £2.5bn to develop and will, for the first time, give Airbus a product that can compete directly with the Boeing 747.

Meanwhile repayment of launch aid for earlier Airbus programmes is also set to rise from £60m this year to £140m in 1998 and £160m the year after that. BAe has now repaid all the launch aid received for early Airbus programmes and is starting to pay back rolled-up interest. It believes this will strengthen its case, not just for launch aid on

the stretched A340 but for backing for the much bigger A3XX project which will involve aid of £1.9bn from the four Airbus governments.

The launch of the A3XX is conditional on Airbus converting into a single commercial entity by 1999.

BAe made a pre-tax loss of £70m in the first half of the year after incurring £345m of exceptional charges to cover its withdrawal from turboprop manufacture. Excluding exceptional items, profits rose by 20 per cent to £278m on sales of £3.87bn. The order book stands at a record £19.5bn.

National Express plans more job cuts as profits hit £32m

Andrew Yates

National Express, the transport group which has become the largest train operator in the UK, said yesterday it had sacked 600 people since taking over five rail franchises privatised by the government and was planning another round of redundancies. Analysts believe the group could eventually shed more than 2,000 jobs, a quarter of the workforce it inherited from British Rail.

National Express, which will receive a Government subsidy of £2.8bn to run trains over the next 15 years, made a profit of more than £8m from its train division in the six months to June before restructuring costs to cover redundancies. Overall, National Express recorded a 39 per cent rise in underlying pre-tax profits to £31.8m and boosted the interim dividend by 18 per cent to 4p.

Analysts believe the company will make around £20m from trains in the current year, fuelling criticism that the government sold off the rail network far too cheaply.

One analyst said: "National Express will make a packet from these franchises. They are a gold mine and the group looks like it got a real bargain."

National Express has added its voice to the growing row between the train operating companies and Railtrack, owner of the UK's railway tracks and stations. The group has approached John Swift, the Rail Regulator, to voice concerns that it could be forced to pay millions of pounds a year to Railtrack under a controversial reduction in delays caused by signalling or track failures. The group plans to put pressure on the Regulator to amend the scheme.

Colin Child, National Express finance director, said: "We have discussed the performance regime with the Regulator. We believe it should be set at another level."

National Express's comments come after an outcry from Connex South Central, the French-owned group which runs trains from London to Brighton, over the £9m it has been forced to pay to Railtrack under the scheme. One source said: "This is a growing feeling in the industry that Railtrack has got off lightly and will continue to rake in the cash. We want to and will stop that."

National Express said it had a war chest that could stretch to several hundreds of millions of pounds to spend on acquisitions. It is eyeing up a host of targets at home and abroad.

Phil White, the group's new chief executive, said he was not just looking for transport ac-

quisitions. He cited the group's attempt to buy the Welcome Break service stations from Granada, which failed at the last hurdle, as an example of the future deals that could be done.

National Express is also keen to expand its airport division. It has already put in a bid for the 51 per cent of Bristol Airport which is up for sale and has expressed an interest in running Luton airport. It will also bid for a number of the 13 local Australian airports which will be privatised this year.

National Express announced plans to introduce a combined bus and train ticket in Birmingham next month. It is also looking to introduce combined bus and train services throughout the Midlands. The company said it was confident it would get clearance from the Monopolies and Mergers Commission for its acquisition of ScotRail and Central Trains.

Brussels urged to relax stance on BA alliance

Michael Harrison

A rift was threatening to develop last night between Washington and Brussels over the British Airways-American Airlines alliance after a senior US government official warned the European Commission not to impose too strict conditions on the deal.

The US Under Secretary of State for Commerce, Stuart Eizenstat, delivered the message during a short meeting with Karel Van Miert, the EC Commission Commissioner. Mr Eizenstat said he was concerned about Mr Van Miert's insistence that the alliance should only be allowed to proceed if BA and American gave up 353 take-off and landing slots at Heathrow.

Mr Eizenstat said that if the alliance did not proceed then there would be an open sides agreement between Britain and the US. "We expressed the hope that the merger would be approved and that no conditions would be attached that would stand in the way."

There were fears last night that the issue could blow up into a repeat of the stand-off between Europe and the US over approval for the Boeing-McDonnell Douglas merger. That ended with Boeing agreeing some modest concessions with Mr Van Miert.

However, Commission officials cautioned against reading too much into Mr Eizenstat's comments. The Department of Commerce has no direct involvement in vetting the deal. The two arms of the US government with responsibility for

that are the Department of Transportation, which finally began its formal review of the alliance this week, and the Department of Justice, which has to give BA and American anti-trust immunity.

There was further confusion over Mr Eizenstat's remarks since the US General Accounting Office, the investigative arm of Congress, has recommended similar conditions to those put forward by Mr Van Miert. The General Accounting Office said earlier this summer that the two airlines should be required to relinquish 322 slots a week - the equivalent of 23 round trips a day. The Commission's proposals would involve surrendering 25 round trips a day.

Earlier this week Bob Crandall, chairman of American, said the two carriers could only afford to surrender about half the slots the Commission wanted. This is in line with the recommendations of Britain's Office of Fair Trading, which said 168 slots should be relinquished.

In a further twist, however, Delta Air Lines of the US, the airline most vigorously opposed to the alliance, has said that none of the conditions demanded by the regulatory authorities goes far enough. It wants BA and American to be forced to give away 700 to 800 slots.

The alliance needs to receive clearance from London, Washington and Brussels by November otherwise BA and American may not be able to launch joint services in time for next summer's timetable.

IN BRIEF

Bank leaves interest rates alone

The Bank of England announced after its Monetary Policy Committee finished meeting yesterday that there would be no change in interest rates this month. The decision to leave rates at 7 per cent had been widely expected as the Bank signalled as much in its August statement. It offers home-buyers some relief after the four increases announced in the preceding four months, each of which led to higher mortgage costs. Under the new arrangements set in place after the general election, the decision is taken by a majority vote of the Bank of England committee, and minutes of the meeting will be published in six weeks' time.

Environment Agency backs water spending

The Environment Agency has put further pressure on Ofwat, the water watchdog, to allow more spending for environmental improvements in the next price formula for the industry from 2000. Ed Gallagher, the Agency's chief executive, has written to the managing directors of all the privatised water groups stressing that Ofwat's plans for a big one-off cut in bills should be moderated to include more cash for discretionary environmental spending. "It is right that customers should benefit... but there must be no question of the environmental improvement programme being capped by predetermined price limits," he said. The letter is the clearest signal yet that Ian Byatt, the regulator, faces stiff opposition from the agency.

Passenger numbers up at BAA terminals

BAA, the operator of Heathrow and Gatwick airports, reported an 8 per cent increase in passenger numbers in August to 10.8 million. The biggest increases came at Southampton and Glasgow airports, which saw increases of more than 13 per cent, while at Heathrow passenger traffic rose by 6 per cent. The figures were boosted by the strength of the European charter market, where passenger numbers surged by 10.3 per cent.

Shell's interim dividend rises

Shell Transport and Trading, the UK quoted part of the Anglo-Dutch oil giant, yesterday declared a half yearly interim dividend of 5.1p a share, a 6.3 per cent rise on the same period in 1996. The dividend, which is traditionally announced by Shell several weeks after its financial results, will be paid on 3 November.

Brown launches EMU advisory group

The Chancellor, Gordon Brown, has launched an advisory group to examine the practical implications of EMU, whether or not the UK joins the single currency. Meeting representatives of the UK business community and other interested parties, including the TUC and the Consumers' Association, the Chancellor said: "The single currency will have far reaching practical implications for British business whether or not the United Kingdom joins. It is vital that firms are prepared for those implications. A better prepared business sector will be more competitive in the changing economic landscape of Europe." Separate working parties will be set up to consider detailed practical questions.

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John Doe

market report / shares

Overnight fall in New York sends Footsie into retreat

Taking Stock

Data Bank

FISE 100	4854.8	-50.4
FISE 250	4633.2	-31.5
FISE 350	2345.3	-22.8
SEAO VOLUME	118M shares	
37.477 bargains		
GHS Index	97.41	-0.07

Share spotlight

Shares gave ground for the fourth day running with Footsie falling below 4,900 points. The blue-chip index lost a further 50.4; it has fallen almost 140 this week.

Selling has been relatively light. With buyers seemingly content to sit on the sidelines the stock market is beginning to look exceedingly tired although many observers believe shares will recover their buoyancy. This week's ragged retreat follows a strong performance last week when Footsie achieved a 176.7 advance.

New York's overnight fall and poor opening did much of yesterday's damage. Further weakness in the Far East was another telling influence.

Another heavy round of company results was generally well received with BTR, the conglomerate image, leading blue chips with a 1.5p (after 27.5p) gain to 234p. The latest buzz

phrase, returning shareholder value, featured high in its presentation.

The company promised to return cash raised to its bid to become a focused engineering group to shareholders, presumably through a buy-back or special dividend. It was enough to even drag the bombed-out warrants higher.

The batch which can be switched into BTR shares this year at 258p more than doubled to 2.75p and next year's warrants, with an exercise price of 405p, jumped 0.75p to 2.75p.

EMI was another to buck the trend. Like BTR, its shares were recently bumping along at a 12-month low.

The showbiz group's performance, up 6p at 583.5p, is an indirect result of the planned Grand Metropolitan-Guinness merger.

The market is convinced that if the mammoth deal goes through, it will put intense



MARKET REPORT

DEREK PAIN

stock market reporter of the year

pressure on Allied Domecq and Seagram, the Canadian drinks giant, to take defensive action, possibly by merging their spirit operations.

Such a get-together could lead to a separately quoted company with Allied and Seagram raising cash by selling some of their interest.

Allied would probably pour the money into its retail operations and Seagram, which has caught the showbiz bug, could decide to descend on EMI, a disappointing share since last year's demerger from the Thorn rental group.

To pile on the agony for former Thorn EMI shareholders the Thorn side has turned in

an even weaker display, falling from 402.5p to 166p.

National Westminster Bank added 10p to 834p on the story it would sell its securities arm to Commerzbank and F&O continued to score from Bovis flotation plans, up 6.5p to 671.5p.

The latest outbreak of Far Eastern worries hit HSBC 69.5p to 1.912p and Standard Chartered 11.5p to 787.5p. Far Eastern investment trusts were other casualties of the Pacific storm. Burmah Castrol, one of the Footsie casualties, fell 22p to 1,070.5p.

Britton, the packaging group, rose 4.5p to 75.5p (with some deals at 80p) on specu-

lation of a bid. Waste Recycling, the David Williams vehicle, was little changed at 278.5p. It is raising £34.4m to buy a quarrying and waste disposal business which should be earnings-enhancing in its first year. Stockbroker Klink believe WR shares are a buy.

Pfizer continued to plug in from its Philips link, gaining 24p to 443.5p, and Biocompatibles International managed a token rally, up 25p to 575p.

Gibson, the printing ink group, held at 199.5p although sales and profits are running "well ahead" of last year.

Kwik Save, the discount chain, firmed to 331p; the shares were 843p in 1994. PDFM, the ubiquitous fund manager, nudged its stake to 22 per cent.

Ramco Energy dipped 7.5p to 1,155p on the surprise intervention of the Ukrainian state oil company in its agreed bid for JKC Oil & Gas. The

Ukrainians now have 11.67 per cent of JKC, acquired through stockbroker T Hoare & Co, and Ramco and JKC are anxious to discover their intentions. It is thought the Ukrainians have moved to prevent Ramco getting full control and may be prepared to buy more shares; JKC held at 53p.

International Greetings, a giftware and greeting card group, remained at 357.5p after Anders Hedlund, joint chief executive, sold 134,670 shares; his family interest is now 72.47 per cent. Johnston Press director Edward Wood sold 215,000 shares and has 0.2 per cent. The shares shaded 25p to 222.5p.

Share buy-backs were evident. Rank picked up 6 million at 350p; Tomkins 1 million at 317p and Perkins Foods 135,000 at 95p.

Zinc prospects lifted Enxet International 1.5p to 34.75p, a peak.

Peterhouse, the old Shorro, returned to market with a flourish. Suspended at 73.5p in July and then placed at 80p, the shares closed at 100p. Shorro, providing steel security cabins, merged with unquoted Totty Construction and Lowfields Technology, an environment monitoring business, to create Peterhouse.

Petrel Resources, the latest John Teeling vehicle, is paying £1.3m in cash and shares for two African interests of privately owned Heritage Oil & Gas. The deal gives Heritage, which has extensive African interests, a 22.5 per cent stake in Petrel. It is likely that other Heritage interests will be pumped into Petrel, up 0.5p to 13.5p on Ofe.

Recruitment group PSD climbed 20.5p to 320.5p, a peak; the shares were floated at 220p in February.

Share Price Data

Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items.

Other details: F Ex rights & Ex dividend; F Ex all UK Unlisted Securities Market; S suspended; P Party Paid; NP Nil Paid Shares; A AM Stock

Source: FT Information

The Independent Index

The index allows you to access real-time share prices by phone from London Stock Exchange. Simply dial 0800 123 333, and when prompted to do so, enter the 4-digit code printed next to each share. To access the latest financial reports dial 0800 1233 followed by one of the two-digit codes below.

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Market leaders: Top 20 volumes

Stock	Volume	Stock	Volume	Stock	Volume	Stock	Volume
BT	950,000	Parade Hill	100,000	Barclay	60,000	Legal & General	50,000
BT	950,000	Parade Hill	100,000	Barclay	60,000	Legal & General	50,000
BT	950,000	Parade Hill	100,000	Barclay	60,000	Legal & General	50,000

FTSE 100 index hour by hour

Open 4854.8	down 28.5	11.00 4853.3	down 41.5	14.00 4853.8	down 41.5
10.00 4854.8	down 41.5	12.00 4853.3	down 35.4	15.00 4856.6	down 41.5
10.00 4854.8	down 30.4	13.00 4848.6	down 30.8	Close 4854.8	down 50.4

Telecommunications

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

Retailers, Food

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

Retailers, General

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

Pharmaceuticals

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

Printing & Paper

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

Property

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

Support Services

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

Water

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

Rights Issues

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

Recent Issues

Stock	Price	Chg	High	Low	Stock	Price	Chg	High	Low
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0
BT	234.5	-0.5	235.0	234.0	BT	234.5	-0.5	235.0	234.0

60 DAY HIGH INTEREST ACCOUNT

PRUDENTIAL

Government Securities

Index-linked	Medium	Long
100.00	100.00	100.00
100.00	100.00	100.00

Government Securities

Index-linked	Medium	Long
100.00	100.00	100.00
100.00	100.00	100.00

12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000-1001-1002-1003-1004-1005-1006-1007-1008-1009-1010-1011-1012-1013-1014-1015-1016-1017-1018-1019-1020-1021-1022-1023-1024-1025-1026-1027-1028-1029-1030-1031-1032-1033-1034-1035-1036-1037-1038-1039-1040-1041-1042-1043-1044-10

Scotland assume control of their own destiny

at the County Ground, taking them to 380 for 6 at the close. Northamptonshire were earlier bowled out for 332, with James Ormond taking three wickets to finish with 6 for 68.

